



Legislative Fiscal Bureau

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May 21, 2001

Joint Committee on Finance

Paper #1042

Temporary Assistance for Needy Families (TANF)

W-2 Contract Allocations (DWD -- Economic Support and Child Care)

[LFB 2001-03 Budget Summary: Page 735, #2 thru #4, Page 736, #5 thru #7 and Page 749, #44]

CURRENT LAW

Current W-2 Contract Amounts

The Department of Workforce Development (DWD) is authorized to contract with any person to implement the Wisconsin Works (W-2) program. There are currently 72 agencies, including; (a) 57 county departments of human and social services, (b) eight non-county agencies operating outside of Milwaukee County; (c) five non-county agencies operating in Milwaukee County; and (d) two tribes. There are three for-profit W-2 agencies: Maximus in Milwaukee County; Curtis and Associates in Waukesha County; and the Kaiser Group in Walworth County. All other private agencies are non-profit agencies. Four tribes operate separate state programs as allowed under federal law.

The current W-2 contracts run from January 1, 2000, through December 31, 2001, and provide \$113,393,900 for W-2 employment benefits and \$255,920,600 for direct services and administration. Funds for subsidized employment benefits are used for benefits paid under W-2 employment positions and caretaker of infant grants. Funds for administration cannot exceed 15% of the contract amount and are used for office costs such as salaries and fringe benefits. Funds for direct services are used to provide services such as case management, job training, job readiness, motivation, education and social services.

The funds budgeted in the 1999-01 biennium included funding for approximately the first 18 months of the current contracts, with the assumption that the remaining six months would be budgeted in 2001-02. For budgeting purposes, the amount for benefits was reduced by 13.03% to

reflect anticipated sanctions on W-2 participants, resulting in a two-year budgetary amount for benefits of \$98,619,200 as opposed to the two-year contract amount of \$113,393,900. In addition, the amount budgeted in 1999-01 for administration and direct services assumed a two-year allocation of \$256,867,600 compared to the final contract amount of \$255,920,573.

Performance Bonuses

The current W-2 contracts also include provisions that allow agencies to earn unrestricted performance bonuses/profit equal to up to 4% of their contract amounts if they meet certain criteria, for a total of \$14,772,600 over the two-year contract term. The funds budgeted in the 1999-01 biennium represented approximately 75% of the performance bonuses with the assumption that the remaining 25% would be budgeted in 2001-02. However, the budgetary amounts assumed that the total needed over the two-year contract would be \$14,826,200 as opposed to the final contract amount of \$14,772,600.

Community Reinvestment

The current W-2 contracts include a provision that allows W-2 agencies to receive community reinvestment funds. Agencies can receive a community reinvestment allocation equal to 3% of the 2000-2001 contract amount for a total of \$11,079,400 over the two-year contract. The funds budgeted in the 1999-01 biennium represented approximately 18 months of the contract, with the assumption that the remaining six months would be budgeted in 2001-02. However, the budgetary amounts assumed that the total needed over the two-year contract would be \$11,119,600 as opposed to the final contract amount of \$11,079,400.

These funds can only be spent on activities eligible under the federal temporary assistance for needy families (TANF) block grant for individuals with income at or below 200% of the federal poverty level and are meant to supplement the W-2 contract. Agencies must meet all of the base performance criteria to receive community reinvestment funds associated with the 2000-2001 W-2 contracts. In contrast, agencies did not need to meet any performance standards to receive community reinvestment funds associated with the 1997-1999 W-2 contracts.

Contingency Fund

The current contracts include the ability to access a \$102,000,000 contingency fund set aside in the Joint Committee on Finance's appropriation. The W-2 contracts state that the contingency fund can be used by agencies if the W-2 cash benefit caseload increases due to an economic downturn or the cash benefit caseload increases due to a crisis beyond the control of the agency. Approval by the Joint Committee on Finance under s. 13.10 is necessary to access these funds.

GOVERNOR

W-2 Contract Allocations

The bill anticipates that the W-2 contracts for the period of January 1, 2002, through December 31, 2003, will allocate \$104,165,200 for subsidized benefits net of sanctions against participants and \$251,321,600 for administration and direct services. Table 1 below compares the Governor's proposed contract allocations to the current W-2 contracts. The benefits amount for the current W-2 contracts represents the amount budgeted. Under current DWD policy, the full contract amount includes the amount anticipated to be sanctioned against participants but the sanction amount is not included in the budgeted amount. Compared to the current W-2 contract, the amount for benefits would increase by \$5,546,000 and the amount for administration and direct services would be reduced by \$4,599,000 over the contract term for a net increase of \$947,000.

TABLE 1

**Comparison of Current W-2 Contract Allocations
to Governor's Proposal for 2002-2003**

| | <u>Benefits</u> | <u>Administration/ Services</u> | <u>Total Contract</u> |
|-------------------------------------|-----------------|-------------------------------------|---------------------------|
| Current Contracts (Minus Sanctions) | \$98,619,200 | \$255,920,600 | \$354,539,800 |
| Governor's Proposal | 104,165,200 | 251,321,600 | 355,486,800 |
| Difference | \$5,546,000 | -\$4,599,000 | \$947,000 |

On a budgetary basis, the total amount for the contracts would remain constant, but the amount for benefits would increase by \$5,546,000 over the contract term and the amount for administration and direct services would decrease by the same amount. The budgetary changes are different from the actual contract changes because the amount for administration and services assumed for budgeting the 2000-2001 contracts was not the same as the final contract amount. For 2001-03, the Governor's budget would reallocate \$1,386,600 in 2001-02 and \$2,773,000 in 2002-03 from administration and services to subsidized employment benefits. Table 2 provides detail on the amounts proposed for the 2001-03 budget.

TABLE 2

W-2 Agency Contract Allocations Under the Bill

| A. | Allocations by Contract Period | <u>2001-02</u> | <u>2002-03</u> |
|-----------|--|--------------------|--------------------|
| | Current Agency Contracts (Six Months) | | |
| | Benefits Allocation | \$24,654,800 | \$0 |
| | Administration and Services Allocation | 64,216,900 | <u>0</u> |
| | Subtotal | \$88,871,700 | \$0 |
| | New Agency Contracts (18 months) | | |
| | Benefits Allocation | \$26,041,300 | \$52,082,600 |
| | Administration and Services Allocation | 62,830,400 | 125,660,800 |
| | Subtotal | \$88,871,700 | \$177,743,400 |
| | Total | \$177,743,400 | \$177,743,400 |
| B. | Allocations by Expenditure Category | | |
| | Benefits | \$50,696,100 | \$52,082,600 |
| | Administration and Services | <u>127,047,300</u> | <u>125,660,800</u> |
| | Total | \$177,743,400 | \$177,743,400 |

Unexpended Funds from 2000-2001 W-2 Contracts

The bill would provide \$20,136,800 in 2001-02 for costs associated with the 2000-2001 W-2 contracts for benefits and administration/services. These funds were allocated in 1999-00 but were not expended. DWD expects these funds to be spent in 2001-02.

Performance Bonuses

The bill would provide \$14,826,200 in 2001-02 to pay the entire amount for performance bonuses associated with the 2000-2001 W-2 contracts, which represents no net change from the adjusted base. For the 2001-03 biennium, no funding would be provided for performance bonuses associated with the 2002-2003 W-2 contracts. Although not specified in the bill, the administration indicates that \$12,500,000 would be needed in 2003-04 for performance bonuses associated with the 2002-2003 W-2 contracts. This would represent approximately 3.5% of the budgeted (net of sanctions) 2002-2003 W-2 contract amount.

Community Reinvestment

The bill would provide \$39,383,200 in 2001-02 and \$5,559,800 in 2002-03 for community reinvestment activities associated with the W-2 contracts. Table 3 provides detail on the amounts proposed for the 2001-03 budget.

[Note that the year of the W-2 contract associated with some of these amounts was incorrectly portrayed in the Legislative Fiscal Bureau's Summary of Governor's Budget Recommendations and has been corrected in the table below.]

TABLE 3

Community Reinvestment Allocations by Contract Period

| | <u>2001-02</u> | <u>2002-03</u> |
|--|------------------|------------------|
| Funds Associated with 1997-1999 Contracts (Carryover from First Six Months) | \$12,854,600 | \$0 |
| Funds Associated with 1997-1999 Contracts (Last Six Months) | 20,968,800 | 0 |
| Funds Associated with 2000-2001 Agency Contracts (24 Months) | <u>5,559,800</u> | <u>5,559,800</u> |
| Total | \$39,383,200 | \$5,559,800 |

Although not specified in the bill, the administration indicates that \$11,119,600 would be needed in 2003-05 for community reinvestment associated with the 2002-2003 W-2 contracts. This would represent approximately 3.1% of the budgeted (net of sanctions) 2002-2003 W-2 contract amount.

Contingency Fund

The Governor proposes eliminating \$102,000,000 set aside in 1999-01 as a contingency fund for program costs of W-2 agencies.

DISCUSSION POINTS

Fiscal Estimates

1. The amounts included in the Governor's 2001-02 budget for W-2 contracts, performance bonuses and community reinvestment have been reestimated in Paper #1041. Reestimates were necessary because the amounts budgeted by the Governor for the last six months of the 2000-2001 contracts and the last six months of the community reinvestment funds associated with the 1997-1999 contracts did not accurately represent the actual amount remaining to be budgeted for those contracts. In addition, the Governor's proposed allocations for community reinvestment associated with the 2000-2001 W-2 contracts were reduced to reflect the final contract amounts and to provide 18 versus 24 months of funding due to the anticipated distribution date of the funds. These reestimates are shown in Table 4 below.

TABLE 4**Reestimated W-2 Contract Allocations**

| | <u>Reestimates</u> | | <u>Change to Governor</u> | |
|----------------------------------|--------------------|------------------|---------------------------|----------------|
| | <u>2001-02</u> | <u>2002-03</u> | <u>2001-02</u> | <u>2002-03</u> |
| Benefits | \$50,696,100 | \$52,082,600 | \$0 | \$0 |
| Administration and Services | 126,100,300 | 125,660,800 | -947,000 | 0 |
| 2000-2001 W-2 Contracts-- | | | | |
| Carryover from Prior Year | 20,136,800 | 0 | 0 | 0 |
| Local Agency Performance Bonuses | 14,772,600 | 0 | -53,600 | 0 |
| Community Reinvestment | <u>36,353,700</u> | <u>5,539,700</u> | <u>-3,029,500</u> | <u>-20,100</u> |
| Total | \$248,059,500 | \$183,283,100 | -\$4,030,100 | -\$20,100 |

The remaining estimates and alternatives contained in this paper are based on the reestimates shown in Table 4. In addition, the alternative numbers are included in the body of this paper for reference purposes.

Process for Next W-2 Contracts

2. DWD has begun the process for selecting agencies for the 2002-2003 W-2 agency contracts. DWD plans to have a two-phase process. The first phase is for agencies that met the criteria for right of first selection and the second phase is a request for proposals for geographic regions where agencies did not win right of first selection. Responses for the right of first selection are due by June 4, 2001. A request for proposals is anticipated to be released on June 25, 2001, and proposals will be due on August 6, 2001.

3. DWD's draft contract terms contain several differences from the Governor's recommendations and would require some changes to current law. These differences include contract amounts and the types of services that should be included in the W-2 contract. These issues are discussed below. Other policy changes proposed by DWD for the next W-2 contracts, such as changes in the performance standards, are detailed in Paper #1043.

W-2 Contract Amounts

4. In DWD's draft contract terms, the Department proposes that the contract amounts for the 2002-2003 W-2 contracts be \$104,165,200 for benefits, excluding sanctions, and \$208,887,600 for administration and services. DWD's proposed contract amounts are the same as the Governor's for benefits. However, DWD's proposed allocation for administration and services is less than the Governor's proposed allocation to reflect DWD's proposal to move food stamp and medical assistance (MA) eligibility determination from the W-2 contracts to the income maintenance (IM) contracts.

5. Table 5 shows DWD's proposed contract amounts compared to the current contract amounts and the Governor's recommendations for the next contract. Compared to the current contract amounts excluding sanctions, DWD's proposal represents a \$5,546,000 increase in benefits and a \$47,033,000 decrease in administration and services for a net reduction of \$41,487,000. Compared to the Governor's recommendations, DWD's proposal would provide the same amount for benefits and would decrease funding for administration and services by \$42,434,000. Attachments 1 through 3 provide more detail by W-2 region. These charts compare the Governor's allocations with the current contracts, DWD's proposed contract amounts with the current contracts and DWD's proposed contract amounts with the Governor's contract amounts. Note that the Governor did not include specific agency allocations, so this paper uses DWD's methodology to determine each agency's administration and services allocation.

TABLE 5

**Comparison of DWD 2002-2003 Contract Amounts
to Current Contracts and Governor's Proposal**

| | <u>Benefits</u> | <u>Administration/ Services</u> | <u>Total Contract</u> |
|--|--------------------|-------------------------------------|---------------------------|
| A. Current Contracts Compared to DWD Proposal | | | |
| Current Contracts minus sanctions | \$98,619,200 | \$255,920,600 | \$354,539,800 |
| DWD Proposal | <u>104,165,200</u> | <u>208,887,600</u> | <u>313,052,800</u> |
| Difference | \$5,546,000 | -\$47,033,000 | -\$41,487,000 |
| B. Governor's Proposal Compared to DWD Proposal | | | |
| Governor's Proposal | \$104,165,200 | \$251,321,600 | \$355,486,800 |
| DWD Proposal | <u>104,165,200</u> | <u>208,887,600</u> | <u>313,052,800</u> |
| Difference | \$0 | -\$42,434,000 | -\$42,434,000 |

Benefits Allocation

6. As of January, 2001, the actual W-2 cash caseload was 6,679 families. DWD calculated its benefits allocation using an average monthly caseload for January, 2000, through January, 2001, and assumed that the W-2 cash benefit caseload has stabilized and will not increase or decrease during the contract period. Each agency received a minimum benefits amount equivalent to five cash cases at a cost of \$645.58 per month. The total cases assumed per month statewide is 6,723 families. Because not all participants receive the average monthly benefit due to sanctions, the number of families that could be served under the budgetary allocation would be about 7,651 families per month. This assumes that the sanction rate will be 14% of benefits, which was the average sanction rate from January, 2000, through January, 2001.

7. The administration states that additional funds were added to the benefits allocation to address the possibility of a caseload increase. It is possible that additional funds for benefits

would be needed because Wisconsin's unemployment rate has been rising. Unemployment rates in recent months have been as follows: 3.4% in December, 2000, 3.8% in January, 2001, 4.3% in February, 2001, and 4.1% in March, 2001.

Options to Decrease Funding for Benefits

8. Additional funds for benefits may not be needed because the W-2 caseload has steadied, with a -0.03% average monthly change for January, 2000, through January, 2001. Accordingly, the recommendation to provide increased funds for W-2 benefits could be denied. This paper includes alternatives to either reduce funds for benefits or reallocate them to a contingency fund for the W-2 contracts as discussed in the "Contingency Fund" section below. Paper #1046 includes an alternative to utilize these funds for child care subsidies because the Wisconsin Shares child care subsidy program is projected to have a deficit of \$32.0 million in 2001-02 and \$63.1 million in 2002-03.

If the Governor's proposal to increase funds for benefits is denied, there would be savings totaling \$1,386,500 in 2001-02 and \$2,773,000 in 2002-03. Under this option, cash benefits could be provided to approximately 7,244 families per month. (Alternative 2)

If the benefits allocation is based on the January, 2001, caseload of 6,679, the contract allocation would be \$90,926,600, net of sanctions, over the two-year contract term. Under this option, the amount budgeted for benefits would be reduced by \$3,309,700 in 2001-02 and \$6,619,300 in 2002-03. (Alternative 3)

Options to Increase Funding for Benefits

9. As discussed above, it is possible that the cash benefit caseload will increase due to Wisconsin's rising unemployment rate. Under the benefits allocation proposed by the Governor and DWD, approximately 7,651 families could be served per month. If the average monthly number of cases went up by 2% over the amount assumed by the Governor to 7,804, then the additional amount needed for benefits would be \$520,800 in 2001-02 and \$1,041,700 in 2002-03. If the average went up by 5% to 8,034, then the additional funds needed would be \$1,302,100 in 2001-02 and \$2,604,100 in 2002-03.

DWD currently allows W-2 agencies to transfer funds between their benefits and administration/services allocations as needed. While this could help lessen the impact of increased benefit needs, some agencies may be constrained by how much they can transfer to benefits by the amount of their administration and services allocation and by contractual obligations with service providers.

This paper presents several options to increase the benefits allocation to allow for the possibility that the caseload could increase.

- Provide additional TANF funds for benefits above the Governor's recommendations to allow for the possibility of caseload increases. Additional funds could be provided for a 2%

increase in caseload (\$520,800 in 2001-02 and \$1,041,700 in 2002-03) (Alternative 4a), a 5% increase in caseload (\$1,302,100 in 2001-02 and \$2,604,100 in 2002-03) (Alternative 4b), or any other increase. However, it is difficult to predict the actual caseload change that could occur due to an economic downturn. A chart showing how funds could be allocated by agency over the 24-month contract period appears in Attachment 4.

- Require DWD to conduct an assessment during the twelfth month of the contract to determine where benefit funds are needed and transfer funds for benefits and administration among agencies. This option would have no net fiscal effect and would be more flexible than the option above since it takes a statewide perspective when looking at funding needs and availability. However, the total amount available statewide may not be sufficient to cover the actual need. (Alternative 4c)

- Reestablish a contingency fund similar to the one that was provided in the 1999-01 biennium for W-2 contracts. This option is described in more detail later in this paper.

Administration and Services Allocation

10. DWD calculated its proposed administration and services allocation based on total caseload for W-2 cash assistance, W-2 case management, the food stamp employment and training (FSET) program and child care subsidies. Caseload figures for FSET and child care represent an average monthly caseload for January, 2000, through February, 2001. For W-2 cash assistance and W-2 case management, the projections reflect the monthly average for the period of January, 2000, through January, 2001. Additions were also made for the number of W-2 assistance groups where the adult has less than a high school education and where the W-2 assistance group includes a disabled child or adult. These caseload numbers were added to create an adjusted caseload of 41,220 cases. Each agency's proportion of the adjusted caseload was then multiplied by the proposed total allocation for administration and services. Small agencies were provided a supplement to their administration and services allocation in order for their total allocation to equal a minimum of \$250,000.

11. DWD's proposed allocation for administration and services is \$42,434,000 lower than the Governor's allocation because DWD proposes to transfer funds for food stamp and MA eligibility determination from the W-2 contracts to the IM contracts with counties and tribes. The current W-2 contracts require W-2 agencies to determine MA and food stamp eligibility of persons who come to their offices to apply for W-2. Because federal law does not allow private agencies to perform this eligibility determination, private W-2 agencies subcontract with counties for this work. Counties and tribes also contract separately with DWD for MA and food stamp eligibility determination of non-W-2 related participants. DWD states that it proposed moving MA and food stamp eligibility determination to the IM contracts in order for W-2 agencies to focus on the employment and training needs of W-2 and FSET participants. In addition, the Department indicates that this change would simplify and clarify lines of authority since IM agencies would no longer need to subcontract with private W-2 agencies.

12. DWD calculated the amount to deduct for food stamp and MA eligibility

determination based on the total amount transferred from the income maintenance contracts to the W-2 contracts for these services in 1997. This two-year amount totaled \$42,434,000. Although funding in the W-2 contracts for administration and services would decrease, there would be a corresponding increase in the allocation for income maintenance contracts, resulting in no net budgetary impact. Table 6 below shows the impact on the W-2 and income maintenance contracts on both a contractual and budgetary basis.

TABLE 6

Impact of Transferring Medical Assistance and Food Stamps from the W-2 Contracts to the Income Maintenance Contracts

| | <u>Governor</u> | <u>DWD Proposal</u> | <u>Difference</u> |
|---|-----------------|---------------------|-------------------|
| A. Total Allocations for New Contracts | | | |
| W-2 Administration/Services Allocation | \$251,321,600 | \$208,887,600 | -\$42,434,000 |
| Amount Added to IM Contracts | <u>0</u> | <u>42,434,000</u> | <u>42,434,000</u> |
| Total Contract Allocations | \$251,321,600 | \$251,321,600 | \$0 |
| B. 2001-02 Budget Allocation | | | |
| 2000-2001 W-2 Administration/ Services (6 months) | \$63,269,900 | \$63,269,900 | \$0 |
| 2002-2003 W-2 Administration/ Services Allocation (6 months) | 62,830,400 | 52,221,900 | -10,608,500 |
| Amount Added to IM Contracts (6 months) | <u>0</u> | <u>10,608,500</u> | <u>10,608,500</u> |
| Total Budget Allocation | \$126,100,300 | \$126,100,300 | \$0 |
| C. 2002-03 Budget Allocation | | | |
| 2002-2003 W-2 Administration/ Services Allocation (12 months) | \$125,660,800 | \$104,443,800 | -\$21,217,000 |
| Amount Added to IM Contracts (12 months) | <u>0</u> | <u>21,217,000</u> | <u>21,217,000</u> |
| Total Budget Allocation | \$125,660,800 | \$125,660,800 | \$0 |
| Total 2001-03 Allocation | \$251,761,100 | \$251,761,100 | \$0 |

13. To remove food stamps from the W-2 contracts, an existing statutory provision would have to be deleted that requires W-2 agencies to conduct food stamp eligibility determination for W-2 participants to the extent permitted by federal law or waiver. While private W-2 agencies are not currently allowed to perform these functions, county W-2 agencies are currently performing food stamp eligibility determination. Under current law, there is also a related provision that allows W-2 agencies to administer MA eligibility determination to the extent permitted by federal law or waiver. This provision could also be deleted if the Committee no longer wishes to reserve the ability for W-2 agencies to administer MA eligibility determination should federal law change or a waiver be granted. (Alternative 6)

14. Alternatively, the Committee could leave funds for MA and food stamp eligibility determination in the W-2 contracts. It could be argued that without these funds in the contracts, counties and W-2 agencies would not have the same incentive to co-locate eligibility determination and participants may not be able to get all the services they need in one place. However, DWD would require the W-2 and IM agencies to collaborate and DWD does not expect any impact on

service delivery. (Alternative 5)

15. If the Committee would like to keep MA and food stamps in the W-2 contracts as proposed by the Governor, the Committee would have to make a technical clarification to make the statutes internally consistent. The bill would require DWD and DHFS to contract with counties for MA administration and would require DWD to contract with counties for food stamp administration. However, separate statutory provisions would continue to allow the departments to contract with W-2 agencies to determine eligibility for MA and food stamps, if permitted by federal law or waiver. While federal law does not currently allow private agencies to determine eligibility for food stamp and MA recipients, the statutory language would need to be changed if the Committee would like to reserve the ability to have W-2 agencies administer these programs if a federal law change or waiver is obtained in the future. To make the statutes more internally consistent, s. 49.33(2) could be modified to allow DWD and DHFS to contract with counties for MA eligibility determination if federal law changes or a waiver is received and to make an exception to the requirement that DWD contract with counties for food stamps of W-2-related participants if federal law changes or a waiver is received. (Alternative 5)

16. Whether the Committee decides to include MA and food stamp eligibility in the W-2 contracts, it is important to analyze whether the proposed administration and services allocation is appropriate. In DWD's recommendations, the administration and services funds were distributed proportionally to the agencies based on anticipated caseload, but an effort was not made to determine the actual administration and services cost need per case. This methodology makes each agency's allocation dependent on its relative share of the caseload as opposed to its own caseload. For example, if an agency's caseload is projected to stay the same, but caseload in other counties is decreasing as a whole, then that agency's allocation would increase instead of remain the same.

17. Since DWD is not anticipating a caseload change, actual expenditures for the current W-2 contract could be an effective proxy for the cost of the current caseload, including eligibility determination of medical assistance and food stamps. A review of expenditures for administration and services from January, 2000, through February, 2001, shows that current expenditures are comparable to the amount recommended by the Governor. However, it is unclear whether current expenditures are a function of the cost of serving the current caseload or a function of the amount available.

18. The Committee may want to decrease the amount of funding for administration and services because audits performed by the Legislative Audit Bureau have found that some W-2 agencies have misspent funds and have awarded large bonuses to staff. An option would be to decrease funds for administration and services by 2%, 5% or some other amount, while keeping the amount for food stamp and MA eligibility determination constant. If the Committee decides to retain food stamps and MA in the W-2 contracts, a 2% decrease in the administration and services allocation would result in a two-year contract allocation of \$247,143,800 and a 5% decrease would result in an allocation of \$240,877,200. If the Committee decides to transfer food stamps and MA to the IM contracts, a 2% decrease in the administration and services allocation would result in a two-year allocation of \$204,709,900 and a 5% decrease would result in an allocation of \$198,443,200.

Attachment 5 shows allocations by agency under each of these scenarios. Regardless of whether the Committee decides to transfer MA and food stamps to the IM contracts, the budgetary impact for a 2% reduction would be \$1,044,400 in 2001-02 and \$2,088,900 in 2002-03, while the budgetary impact for a 5% reduction would be \$2,611,100 in 2001-02 and \$5,222,200 in 2002-03.

Performance Bonuses Allocation

2000-2001 W-2 Contracts

19. The Governor provided \$14,772,600, as reestimated, to pay the full amount of unrestricted performance bonuses for the current W-2 contracts. Agencies that meet all of the base contract benchmarks are eligible to receive performance bonuses. Agencies that meet the benchmark for the first performance bonus benchmark can receive 2% of the contract amount. Agencies that meet the benchmark for the second performance bonus benchmark can receive a second 2% of the contract amount for a total of 4%. Based on performance of W-2 agencies for calendar year 2000 on the required performance criteria and the optional criteria, a total of \$12,820,800 is projected to be allocated, leaving a savings of \$1,951,800. Table 7 below illustrates the percentage of W-2 agencies currently meeting the criteria for each tier of the required and optional performance bonuses.

TABLE 7

Percentage of W-2 Agencies Meeting Performance Bonus Standards as of December, 2000

| <u>Performance Standard</u> | <u>First 2%</u> | <u>Second 2%</u> |
|----------------------------------|-----------------|------------------|
| Entered Employment Rate | 88% | 71% |
| Wage Rate | 100% | 97% |
| Job Retention- 30 day follow-up | 86% | 60% |
| Job Retention- 180 day follow-up | 89% | 74% |
| Full and Appropriate Engagement | 93% | 83% |
| Basic Education Activities | 89% | 75% |
| Health Benefits | 71% | 50% |
| <u>Optional Standards</u> | | |
| Faith-Based Contract | | 82% |
| Educational Attainment | | 10% |

20. The Committee could reduce the allocation for performance bonuses to reflect the anticipated savings of \$1,951,800 to be allocated for other TANF-eligible uses. This paper includes alternatives to either reduce these funds or reallocate them to a contingency fund for the W-2 contracts as discussed in the "Contingency Fund" section below. (Alternative 8a)

21. It could be argued that the Committee should not count on the entire \$1,951,800 in projected underspending for the performance bonuses because the data is based on calendar year 2000, and agencies may improve their performance prior to the end of the contract, making them entitled to more of the performance bonus allocation. An option would be to reduce the performance bonus amount by \$1,000,000, \$500,000, or some other amount.

22. Alternatively, the Committee could choose to reduce or eliminate the allocation for performance bonuses associated with the 2000-2001 W-2 contracts due to other funding needs, such as a W-2 contract contingency fund and child care subsidies. While the current contracts state that funds will be available for performance bonuses, the contracts also contain a clause stating that the obligations of DWD are contingent upon authorization and budget appropriations by the federal government and State Legislature. The Legislative Reference Bureau indicates that this clause is unclear and could be interpreted either as requiring the Legislature to appropriate funds for performance bonuses or as allowing the Legislature to appropriate the funds designated for performance bonuses for other TANF-eligible uses. Therefore, litigation could result if funds included in the current W-2 agency contracts were reallocated. (Alternative 8b)

2002-2003 W-2 Contracts

23. For the 2002-2003 W-2 contracts, the Governor did not provide any funds for performance bonuses because they would not be paid out until after the contracts end in December, 2003. This is consistent with DWD's proposed contract terms for the next contracts.

24. Although not specified in the bill, the administration indicates that \$12,500,000 would be set aside in the 2003-05 biennium for performance bonuses associated with the next W-2 contracts. This represents approximately 3.5% of the Governor's budgeted amount for the W-2 contracts. If the Committee adopts DWD's contract amounts (which have been reduced to account for moving MA and food stamp eligibility determination to the IM contracts), then \$12,500,000 in performance bonuses would represent approximately 4.0% of the contract amounts.

25. DWD's proposed contract terms do not specify an amount for the performance bonuses. However, they do modify the performance criteria necessary to receive unrestricted bonuses. These modifications are discussed in detail in Paper #1043. Because the Legislature cannot be bound to a future budget allocation, DWD's proposed contract terms contain a clause stating that the obligations of DWD are contingent upon legislative authorization and budget appropriations by the federal government and State Legislature. However, the Committee may want to signify its intent to provide a certain amount for performance bonuses, if any, by instructing DWD to modify its contract terms to include a specific amount.

26. It could be argued that the performance bonuses for the 2002-2003 contracts should be set at the \$12,500,000 level or should be restored to the level included in the current W-2 contracts of 4% of the contract amount, because performance bonuses are effective incentives for W-2 agencies and help improve outcomes for W-2 participants. As shown in Table 7 above, the vast majority of agencies are currently meeting the first tier standards and a majority of agencies are meeting the second tier standards. The Committee could opt to use another percentage such as 3.5%

of the contract amount or 3.0% of the contract amount. If a percentage is used, the amount for performance bonuses would depend on the final contract amount. If the Governor's proposed total contract amount of \$355,486,800 is adopted by the Committee, a 4% bonus would total \$14,219,500, a 3.5% bonus would total \$12,442,000 and a 3.0% bonus would total \$10,664,600. The Committee could also specify any other dollar amount or percentage of the contract for the performance bonus allocation. (Alternative 9)

27. Alternatively, the Committee may not want to designate a specific amount for performance bonuses. The TANF program has a structural imbalance and it is unclear how much funding would be available in the 2003-05 biennium to pay for performance bonuses. Under the Governor's recommendations as corrected and reestimated, there would be a negative balance of \$74.7 million at the end of 2002-03. Since ongoing revenues do not meet ongoing expenditure needs, there is also a structural deficit of \$69.5 million per year. The Committee could direct DWD to not include a specific amount for performance bonuses in the 2002-2003 W-2 contracts, so that the Legislature can evaluate the funding available for bonuses as part of the 2003-05 budget process. Some may argue against this alternative because it creates uncertainty for W-2 agencies as to how much performance bonus funding will be available. (Alternative 10)

28. Another alternative would be to eliminate performance bonuses from the 2002-2003 W-2 contracts. The Committee may want to consider this option in light of the TANF structural deficit described above. In addition, some have argued that W-2 agencies should not receive performance bonuses because the funds do not go directly towards services for low-income families as intended by the TANF block grant. If the Committee eliminates performance bonuses, the statutes would still require agencies to meet performance standards established by the Department. If a W-2 agency does not meet the standards, then the Department may withhold or recover any payment from the W-2 agency. (Alternative 11)

Community Reinvestment Allocation

Current Contracts

29. The funds included in the Governor's proposed budget for community reinvestment would cover activities associated with the 1997-1999 and 2000-2001 contracts. As reestimated, a total of \$33,583,800 would be provided for the 1997-1999 contracts. This consists of \$12,734,800 in unspent funds from the first six months of the contracts that needs to be rebudgeted and \$20,849,000 that has not yet been budgeted for the last six months of the contracts. In addition, \$8,329,700 would be provided for the 2000-2001 contracts.

30. The deadline for spending community reinvestment funds associated with the 1997-1999 contracts was originally December 31, 2001. This deadline was recently extended for six months to allow community reinvestment funds to serve as an informal contingency fund for agencies that exceed their base W-2 contract amounts. According to DWD's policy, any funds not spent by January, 2002, will be reduced by 25% and DWD will reallocate these funds to agencies that have exceeded their W-2 contract funds.

31. An option would be to formally place the \$33,583,800 in unspent community reinvestment funds associated with the 1997-1999 W-2 contracts in a statewide contingency fund to be used for the W-2 contracts throughout the next biennium. This option would allow the unspent funds to be used for a longer period of time than proposed by DWD. In addition, this option would allow the funds to only go to those agencies that have the most needs. Another option would be to place only a portion of the \$33,583,800 in the contingency fund.

32. For the 2000-2001 W-2 contracts, the bill as reestimated would provide 18 months funding totaling \$8,329,700. In order to receive these funds, agencies must meet all of the base performance standards. Based on agency performance in calendar year 2000, two agencies were not meeting all of the base performance standards, creating a potential savings of \$34,700. Since this data represents only the first half of the contract term, these two agencies could improve their performance and become eligible for all of their community reinvestment funds. Therefore, any significant savings in this allocation are unlikely.

33. The Committee could choose to reduce or eliminate the allocation for community reinvestment associated with the 1997-1999 and 2000-2001 W-2 contracts due to other funding needs, such as a W-2 contract contingency fund and child care subsidies. As stated earlier, the Legislative Reference Bureau states that the funding clause in the contracts is unclear but could be interpreted as allowing the Legislature to decide to appropriate these funds for other uses. (Alternative 12)

2002-2003 W-2 Contract

34. Agencies currently have to meet all of the base contract benchmarks to receive community reinvestment funds. In DWD's proposed contract terms for the 2002-2003 contracts, agencies would have to meet performance standards above the base contract benchmark level to receive the funds. These modifications are discussed in detail in Paper #1043.

35. For the 2002-2003 W-2 contracts, the Governor did not provide any funds for community reinvestment because funds would not be paid out until after the contracts end in December, 2003. This is consistent with DWD's proposed contract terms for the next contracts.

36. Although not specified in the bill, the administration indicates that \$11,119,600 would be set aside in the 2003-05 biennium for community reinvestment associated with the next W-2 contracts. This represents approximately 3.1% of the Governor's budgeted amount for the W-2 contracts. If the Committee adopts DWD's lower W-2 contract amounts, then the \$11,119,600 amount for community reinvestment would represent approximately 3.6% of the contract amounts.

37. DWD's proposed contract terms do not specify an amount for community reinvestment. Because the Legislature cannot be bound to a future budget allocation, DWD's proposed contract terms contain a clause stating that the obligations of DWD are contingent upon legislative authorization and budget appropriations by the federal government and State Legislature. However, the Committee may want to signify its intent to provide a certain amount for community reinvestment, if any, by instructing DWD to modify its contract terms to include a specific amount.

38. It could be argued that the community reinvestment for the 2002-2003 contracts should be set at the \$11,119,600 level proposed by the Governor because community reinvestment funds provide a supplement to the W-2 contract and also provide a variety of services to low-income families throughout the state. The Committee could opt to use another percentage such as 3.0% of the contract amount or 2.5% of the contract amount. If a percentage is used, the amount for community reinvestment would depend on the final contract amount. If the Governor's proposed total contract amount of \$355,486,800 is adopted by the Committee, a 3.0% bonus would total \$10,664,600 and a 2.5% bonus would total \$8,887,200. The Committee could also specify any other dollar amount or percentage of the contract for the performance bonus allocation. (Alternative 13)

39. Alternatively, the Committee may not want to designate a specific amount for community reinvestment due to the structural imbalance in the TANF program. The Committee could direct DWD to not include a specific amount for community reinvestment in the 2002-2003 W-2 contracts, so that the Legislature can evaluate the funding available for community reinvestment as part of the 2003-05 budget process. Some may argue against this alternative because it would create uncertainty for W-2 agencies as to how much community reinvestment funding will be available. (Alternative 14)

40. Another alternative would be to eliminate community reinvestment from the 2002-2003 W-2 contracts. The Committee may want to consider this option in light of the TANF structural deficit described above. In addition, some have argued that W-2 agencies should not receive community reinvestment funds because the services being provided should be accomplished through the base W-2 contract. (Alternative 15)

Contingency Fund

41. The Governor's proposed budget eliminates the \$102,000,000 contingency fund for W-2 contracts that was provided in the 1999-01 biennium.

Some of the W-2 agencies have raised concerns that there may be insufficient funds available for benefits if there is an economic downturn and the number of participants increases. Based on expenditures from January, 2000, through February, 2001, 19 agencies are projected to exceed their 2000-2001 contract allocations, while 53 agencies may not spend their total contract allocation. In lieu of the options presented above to increase the benefits allocation, a contingency fund could be retained in the next biennium.

This paper presents several options for reinstating a contingency fund. Each of these alternatives could be used in combination or separately. Note that some of these alternatives would take funds from existing contracts. While the funding change clause in the contracts could be interpreted as allowing the Legislature to take this action, the Legislative Reference Bureau indicates that the funding change clause could also be interpreted as requiring the Legislature to appropriate funding for the original purposes. Therefore, litigation could result if funds included in the current W-2 agency contracts were reallocated. (Alternative 16)

- Utilize the savings resulting from reestimates of the amounts for administration and

services, community reinvestment and performance bonuses. As shown in Table 4, the savings from these reestimates total \$4,030,100 in 2002-03 and \$20,100 in 2002-03.

- Deny the Governor's proposed increase in benefits and reallocate \$1,386,500 in 2001-02 and \$2,773,000 in 2002-03 to the contingency fund. This may be a more attractive option than simply leaving these funds in the benefits allocation because it ensures that agencies will only have access to the funds if they are necessary.

- Use the January, 2001, caseload as the basis for the benefits allocation and reallocate \$3,309,700 in 2001-02 and \$6,619,300 in 2002-03 to the contingency fund. Like the option above, this would ensure that agencies would only have access to the funds if they are necessary.

- Reduce the \$14,772,600 set aside for performance bonuses for the current W-2 contracts by \$1,951,800 to reflect projections of the amount of funding that will be needed based on calendar year 2000 performance.

- Reduce or eliminate the \$14,772,600 set aside for performance bonuses for the current W-2 contracts and use this funding to create a contingency fund.

- Reduce or eliminate the \$33,583,800 in community reinvestment funds associated with the 1997-1999 W-2 contracts. These funds represent \$12,734,800 remaining unspent from the first six months of the contracts, as well as \$20,849,000 that has not yet been budgeted for the last six months of those contracts.

- Reduce or eliminate the \$8,329,700 set aside for community reinvestment associated with the 2000-2001 W-2 contracts.

ALTERNATIVES TO BILL

Governor's Recommendation

1. Adopt the Governor's recommendations to make the following changes relative to the W-2 agency contract allocations, as updated for reestimates: (a) increase funds for subsidized employment benefits by \$1,386,500 FED in 2001-02 and \$2,773,000 FED in 2002-03; (b) decrease funds for administration and services by \$2,333,500 FED in 2001-02 and \$2,773,000 FED in 2002-03; (c) provide funding of \$20,136,800 FED in 2001-02 for costs associated with the 2000-2001 W-2 contracts for benefits and administration/services; (d) eliminate funding for the contingency fund of \$102,000,000 FED; (e) reduce funding for performance bonuses by \$53,600 FED in 2001-02; and (f) increase funds for community reinvestment associated with the 1997-1999 W-2 contracts and the 2000-2001 W-2 contracts by \$30,793,900 FED in 2001-02 and decrease funds by \$20,100 FED in 2002-03.

W-2 Benefits

2. Deny the recommended increase in W-2 benefits, which would provide benefits for

7,244 families on a monthly basis as opposed to 7,651 families under the Governor’s proposal, resulting in a decrease of \$1,386,500 FED in 2001-02 and \$2,773,000 FED in 2002-03.

| <u>Alternative 2</u> | <u>FED</u> |
|---|---------------|
| 2001-03 FUNDING (Change to Bill) | - \$4,159,500 |

3. Reduce funds for W-2 benefits to fund the January, 2001, caseload of 6,679 families per month as opposed to 7,651 families per month under the Governor’s proposal, resulting in a decrease of \$3,309,700 FED in 2001-02 and \$6,619,300 FED in 2002-03.

| <u>Alternative 3</u> | <u>FED</u> |
|---|---------------|
| 2001-03 FUNDING (Change to Bill) | - \$9,929,000 |

4. Provide W-2 agencies with additional funds for benefits by adopting one or more of the following alternatives.

a. Provide additional funds of \$520,800 FED in 2001-02 and \$1,041,700 FED in 2002-03 to reflect a 2% increase over the estimated monthly caseload used by the Governor (7,804 instead of 7,651).

| <u>Alternative 3a</u> | <u>FED</u> |
|---|-------------|
| 2001-03 FUNDING (Change to Bill) | \$1,562,500 |

b. Provide additional funds of \$1,302,100 FED in 2001-02 and \$2,604,100 FED in 2002-03 to reflect a 5% increase over the estimated monthly caseload used by the Governor (8,034 instead of 7,651).

| <u>Alternative 3b</u> | <u>FED</u> |
|---|-------------|
| 2001-03 FUNDING (Change to Bill) | \$3,906,200 |

c. Modify the statutes to require DWD to conduct an assessment during the 12th month of the next W-2 contract term to determine whether funding adjustments need to be made between agencies. Authorize DWD to transfer funds from any agency in the state to any other agency in the state. Direct DWD to include these provisions in the next W-2 contracts.

Medical Assistance and Food Stamps

5. Adopt the Governor’s recommendation to retain eligibility determination for food stamps and MA in the W-2 contracts. Clarify in s. 49.33(2) that DWD and DHFS would be permitted to contract with non-county agencies for MA and that DWD would be permitted to

contract with non-county agencies for food stamp administration, if permitted by federal law or a waiver by the U.S. Department of Health and Human Services.

6. Transfer food stamp and MA eligibility determination from the W-2 contracts to the income maintenance contracts and:

a. Delete the provision in current law requiring W-2 agencies to certify eligibility for and issue food stamps, to the extent permitted by federal law or a waiver from the U.S. Department of Health and Human Services.

b. Delete the provision in current law allowing W-2 agencies to administer MA eligibility determination to the extent permitted by federal law or a waiver from the U.S. Department of Health and Human Services.

Administration and Services Allocation

7. Decrease the allocation for administration and services in the W-2 contracts by one of the following amounts:

a. 2% from the Governor's recommendation (net of amounts for MA and food stamp eligibility determination) for a total savings of \$1,044,400 FED in 2001-02 and \$2,088,900 FED in 2002-03.

| Alternative 7a | FED |
|---|-------------|
| 2001-03 FUNDING (Change to Bill) | \$3,133,300 |

b. 5% from the Governor's recommendation (net of amounts for MA and food stamp eligibility determination) for a total savings of \$2,611,100 FED in 2001-02 and \$5,222,200 FED in 2002-03.

| Alternative 7b | FED |
|---|-------------|
| 2001-03 FUNDING (Change to Bill) | \$7,833,300 |

Performance Bonuses

8. Reduce the allocation for performance bonuses in 2001-02 by:

a. \$1,951,800 FED in 2001-02 to reflect the amount of bonuses agencies are projected to receive based on calendar year 2000 performance.

| Alternative 8a | FED |
|---|---------------|
| 2001-03 FUNDING (Change to Bill) | - \$1,951,800 |

- b. \$14,772,600 FED in 2001-02 to provide funds for other TANF-eligible uses.

| | |
|---|----------------|
| Alternative 8b | FED |
| 2001-03 FUNDING (Change to Bill) | - \$14,772,600 |

9. Instruct DWD to place a specific amount in the contract terms for the 2002-2003 W-2 contracts for performance bonuses of:

- a. \$12,500,000 as recommended by the Governor.
- b. 4.0% of the contract amount.
- c. 3.5% of the contract amount.
- d. 3.0% of the contract amount.

10. Direct DWD not to place a specific amount in the contract terms for the 2002-2003 W-2 contracts for performance bonuses.

11. Direct DWD to eliminate performance bonuses from the 2002-2003 W-2 contracts.

Community Reinvestment

12. Reduce the allocation for community reinvestment in 2001-03 by:

- a. \$20,849,000 FED to reflect not providing funding for the last six months of community reinvestment associated with the 1997-1999 W-2 contracts.

| | |
|---|----------------|
| Alternative 12a | FED |
| 2001-03 FUNDING (Change to Bill) | - \$20,849,000 |

- b. \$12,734,800 FED to reflect not rebudgeting funds that were unspent in 1999-01 for the first six months of community reinvestment associated with the 1997-1999 W-2 contracts.

| | |
|---|----------------|
| Alternative 12b | FED |
| 2001-03 FUNDING (Change to Bill) | - \$12,734,800 |

- c. \$2,769,900 FED in 2001-02 and \$5,559,800 FED in 2002-03 to reflect not providing

funding for 18 months of community reinvestment associated with the 2000-2001 W-2 contracts.

| | |
|---|-------------|
| Alternative 12c | FED |
| 2001-03 FUNDING (Change to Bill) | \$8,329,700 |

13. Direct DWD to place a specific amount in the contract terms for the 2002-2003 W-2 contracts for community reinvestment of:

- a. \$11,119,600, as recommended by the Governor.
- b. 3.0% of the contract amount.
- c. 2.5% of the contract amount.

14. Direct DWD not to place a specific amount in the contract terms for the 2002-2003 W-2 contracts for community reinvestment.

15. Direct DWD to eliminate community reinvestment funding from the 2002-2003 W-2 contracts.

Contingency Fund

16. Create a contingency fund for the W-2 contracts during the 2001-03 biennium by taking one or more of the following actions:

- a. Reallocate savings resulting from reestimates of the administration and services, community reinvestment and performance bonus allocations for 2001-03 totaling \$4,030,100 FED in 2001-02 and \$20,100 FED in 2002-03.
- b. Deny the Governor's proposed increase in benefits and reallocate the savings totaling \$1,386,500 FED in 2001-02 and \$2,773,000 FED in 2002-03.
- c. Decrease the amount for benefits to reflect the January, 2001, W-2 cash caseload and reallocate the savings totaling \$3,309,700 FED in 2001-02 and \$6,618,300 FED in 2002-03.
- d. Reallocate up to \$1,951,800 FED for performance bonuses for the 2000-2001 W-2 contracts to reflect the amount of bonuses agencies are projected to receive based on calendar year 2000 performance.
- e. Reallocate up to \$14,772,600 FED for performance bonuses associated with the 2000-2001 W-2 contracts.
- f. Reallocate up to \$33,583,800 FED in community reinvestment funds in 2001-02 associated with the 1997-1999 W-2 contracts.

g. Reallocate up to \$2,769,900 FED in 2001-02 and \$5,559,800 FED in 2002-03 in community reinvestment funds associated with the 2000-2001 W-2 contracts.

Maintain Current Law

17. Maintain current law.

| | |
|---|----------------|
| Alternative 17 | FED |
| 2001-03 FUNDING (Change to Bill) | - \$49,910,000 |

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ATTACHMENTS

- Attachment 1 Governor's Bill Compared to Current Contract Amounts
- Attachment 2 DWD's Proposed Allocations Compared to Current Contract Amounts
- Attachment 3 Governor's Bill Compared to DWD's Proposed Allocations
- Attachment 4 Alternative to Increase Benefits Allocation
- Attachment 5 Options to Reduce Administration and Services Allocations

ATTACHMENT 1

Governor's Bill Compared to Current Contract Amounts

| W-2 Geographic Area | Proposed Allocations* | | | Current Contracts | | | Difference from Current Contract | | |
|----------------------|-----------------------|-----------------------------|-----------------|-------------------|-----------------------------|-----------------|----------------------------------|-----------------------------|----------------|
| | Benefits | Administration/ Services | Total Contracts | Benefits** | Administration/ Services | Total Contracts | Benefits | Administration/ Services | Total Contract |
| Adams Co | \$77,469 | \$444,944 | \$522,413 | \$68,837 | \$420,934 | \$489,771 | \$8,632 | \$24,010 | \$32,642 |
| Ashland Co | 77,469 | 633,893 | 711,362 | 68,837 | 580,846 | 649,683 | 8,632 | 53,047 | 61,679 |
| Bad River Tribe | 92,963 | 255,995 | 348,958 | 99,069 | 236,089 | 335,158 | -6,106 | 19,906 | 13,800 |
| Barron Co | 77,469 | 1,017,886 | 1,095,355 | 68,837 | 1,170,375 | 1,239,212 | 8,632 | -152,489 | -143,857 |
| Bayfield Co | 77,469 | 255,995 | 333,464 | 68,837 | 320,850 | 389,687 | 8,632 | -64,855 | -56,223 |
| Brown Co | 278,889 | 4,754,196 | 5,033,085 | 121,085 | 3,671,673 | 3,792,758 | 157,805 | 1,082,523 | 1,240,328 |
| Buffalo Co | 77,469 | 262,090 | 339,559 | 99,069 | 286,089 | 385,158 | -21,600 | -23,999 | -45,599 |
| Burnett Co | 77,469 | 195,044 | 272,513 | 68,837 | 370,850 | 439,687 | 8,632 | -175,806 | -167,174 |
| Calumet Co | 92,963 | 542,466 | 635,429 | 68,837 | 490,846 | 559,683 | 24,126 | 51,620 | 75,746 |
| Chippewa Co | 185,926 | 1,286,071 | 1,471,997 | 187,130 | 1,406,127 | 1,593,257 | -1,204 | -120,056 | -121,260 |
| Clark Co | 77,469 | 383,993 | 461,462 | 68,837 | 538,360 | 607,197 | 8,632 | -154,367 | -145,735 |
| Columbia Co | 139,445 | 859,412 | 998,857 | 68,837 | 733,114 | 801,951 | 70,608 | 126,298 | 196,906 |
| Crawford Co | 77,469 | 274,281 | 351,750 | 68,837 | 220,850 | 289,687 | 8,632 | 53,431 | 62,063 |
| Dane Co | 4,555,194 | 14,445,443 | 19,000,637 | 3,280,284 | 13,214,797 | 16,495,081 | 1,274,910 | 1,230,646 | 2,505,556 |
| Dodge Co | 294,383 | 1,834,632 | 2,129,015 | 176,123 | 1,338,154 | 1,514,277 | 118,260 | 496,478 | 614,738 |
| Door Co | 92,963 | 609,512 | 702,475 | 77,069 | 539,294 | 616,363 | 15,894 | 70,218 | 86,112 |
| Douglas Co | 418,334 | 2,115,008 | 2,533,342 | 319,223 | 2,506,736 | 2,825,959 | 99,112 | -391,728 | -292,616 |
| Dunn Co | 294,383 | 804,556 | 1,098,939 | 220,154 | 1,212,291 | 1,432,445 | 74,230 | -407,735 | -333,505 |
| Eau Claire Co | 247,902 | 2,919,564 | 3,167,466 | 286,199 | 2,858,022 | 3,144,221 | -38,297 | 61,542 | 23,245 |
| Florence Co | 77,469 | 172,531 | 250,000 | 68,837 | 120,850 | 189,687 | 8,632 | 51,681 | 60,313 |
| Fond du Lac Co | 666,236 | 2,407,574 | 3,073,810 | 385,268 | 2,326,811 | 2,712,079 | 280,968 | 80,763 | 361,731 |
| Forest Co | 77,469 | 231,615 | 309,084 | 68,837 | 220,850 | 289,687 | 8,632 | 10,765 | 19,397 |
| Grant Co | 77,469 | 542,466 | 619,935 | 68,837 | 675,123 | 743,960 | 8,632 | -132,657 | -124,025 |
| Green Co | 77,469 | 518,085 | 595,554 | 68,837 | 567,822 | 636,659 | 8,632 | -49,737 | -41,105 |
| Green Lake Co | 77,469 | 359,612 | 437,081 | 88,061 | 432,305 | 520,366 | -10,592 | -72,693 | -83,285 |
| Iowa Co | 77,469 | 298,661 | 376,130 | 68,837 | 370,850 | 439,687 | 8,632 | -72,189 | -63,557 |
| Iron Co | 77,469 | 172,531 | 250,000 | 68,837 | 120,850 | 189,687 | 8,632 | 51,681 | 60,313 |
| Jackson Co | 77,469 | 383,993 | 461,462 | 68,837 | 619,610 | 688,447 | 8,632 | -235,617 | -226,985 |
| Jefferson Co | 108,457 | 719,225 | 827,682 | 132,092 | 859,645 | 991,737 | -23,635 | -140,420 | -164,055 |
| Juneau Co | 263,396 | 743,605 | 1,007,001 | 264,184 | 958,579 | 1,222,763 | -789 | -214,974 | -215,763 |
| Kenosha Co | 3,238,216 | 8,167,465 | 11,405,681 | 1,739,211 | 7,285,878 | 9,025,089 | 1,499,006 | 881,587 | 2,380,593 |
| Kewaunee Co | 77,469 | 262,090 | 339,559 | 68,837 | 170,850 | 239,687 | 8,632 | 91,240 | 99,872 |
| La Crosse Co | 340,865 | 3,108,513 | 3,449,378 | 517,360 | 3,586,058 | 4,103,418 | -176,496 | -477,545 | -654,041 |
| Lafayette Co | 77,469 | 172,531 | 250,000 | 68,837 | 170,850 | 239,687 | 8,632 | 1,681 | 10,313 |
| Langlade Co | 170,432 | 713,129 | 883,561 | 121,085 | 732,863 | 853,948 | 49,348 | -19,734 | 29,614 |
| Lincoln Co | 77,469 | 609,512 | 686,981 | 68,837 | 538,672 | 607,509 | 8,632 | 70,840 | 79,472 |
| Manitowoc Co | 77,469 | 682,654 | 760,123 | 68,837 | 746,618 | 815,455 | 8,632 | -63,964 | -55,332 |
| Marathon Co | 666,236 | 3,309,652 | 3,975,888 | 594,414 | 3,036,807 | 3,631,221 | 71,822 | 272,845 | 344,667 |
| Marinette Co | 77,469 | 524,181 | 601,650 | 68,837 | 735,284 | 804,121 | 8,632 | -211,103 | -202,471 |
| Marquette Co | 77,469 | 347,422 | 424,891 | 68,837 | 320,850 | 389,687 | 8,632 | 26,572 | 35,204 |
| Menominee Co | 139,445 | 426,659 | 566,104 | 154,107 | 529,064 | 683,171 | -14,663 | -102,405 | -117,068 |
| Milwaukee - Region 1 | 9,792,118 | 23,357,395 | 33,149,513 | 9,719,768 | 25,275,958 | 34,995,726 | 72,350 | -1,918,563 | -1,846,213 |
| Milwaukee - Region 2 | 12,286,629 | 23,838,107 | 36,124,736 | 9,587,676 | 26,003,195 | 35,590,871 | 2,698,953 | -2,165,088 | 533,865 |
| Milwaukee - Region 3 | 15,586,820 | 25,095,385 | 40,682,205 | 17,645,286 | 26,851,303 | 44,496,589 | -2,058,466 | -1,755,918 | -3,814,384 |
| Milwaukee - Region 4 | 14,688,176 | 25,477,661 | 40,165,837 | 16,566,535 | 26,466,487 | 43,033,022 | -1,878,358 | -988,826 | -2,867,185 |
| Milwaukee - Region 5 | 12,395,086 | 26,298,117 | 38,693,203 | 13,451,366 | 26,485,725 | 39,937,091 | -1,056,280 | -187,608 | -1,243,888 |
| Milwaukee - Region 6 | 16,036,142 | 25,428,428 | 41,464,570 | 14,838,331 | 28,022,415 | 42,860,746 | 1,197,811 | -2,593,987 | -1,396,176 |
| Monroe Co | 325,371 | 1,091,027 | 1,416,398 | 247,814 | 1,108,675 | 1,356,489 | 77,557 | -17,648 | 59,909 |
| Oconto Co | 77,469 | 682,654 | 760,123 | 68,837 | 622,092 | 690,929 | 8,632 | 60,562 | 69,194 |
| Oneida Co | 77,469 | 731,415 | 808,884 | 132,092 | 978,109 | 1,110,201 | -54,622 | -246,694 | -301,316 |
| Oneida Tribe | 170,432 | 585,132 | 755,564 | 121,085 | 391,061 | 512,146 | 49,348 | 194,071 | 243,419 |
| Outagamie Co | 526,791 | 3,035,372 | 3,562,163 | 638,444 | 2,702,978 | 3,341,422 | -111,653 | 332,394 | 220,741 |
| Ozaukee Co | 77,469 | 761,890 | 839,359 | 68,837 | 644,731 | 713,568 | 8,632 | 117,159 | 125,791 |
| Pepin Co | 77,469 | 172,531 | 250,000 | 68,837 | 170,850 | 239,687 | 8,632 | 1,681 | 10,313 |
| Pierce Co | 77,469 | 493,705 | 571,174 | 77,069 | 552,939 | 630,008 | 400 | -59,234 | -58,834 |
| Polk Co | 108,457 | 969,125 | 1,077,582 | 68,837 | 707,063 | 775,900 | 39,620 | 262,062 | 301,682 |

| | Proposed Allocations* | | | Current Contracts | | | Difference from Current Contract | | |
|------------------|-----------------------|------------------|------------------|-------------------|------------------|------------------|----------------------------------|----------------|----------------|
| | Benefits | Services | Total Contracts | Benefits** | Services | Total Contracts | Benefits | Services | Total Contract |
| Portage Co | \$77,469 | \$1,243,405 | \$1,320,874 | \$99,069 | \$1,181,846 | \$1,280,915 | -\$21,600 | \$61,559 | \$39,959 |
| Price Co | 77,469 | 621,703 | 699,172 | 68,837 | 602,865 | 671,702 | 8,632 | 18,838 | 27,470 |
| Racine Co | 1,781,794 | 6,521,782 | 8,303,576 | 1,243,866 | 5,839,926 | 7,083,792 | 537,928 | 681,856 | 1,219,784 |
| Richland Co | 77,469 | 408,373 | 485,842 | 68,837 | 320,850 | 389,687 | 8,632 | 87,523 | 96,155 |
| Rock Co | 1,626,855 | 4,742,006 | 6,368,861 | 649,452 | 3,950,110 | 4,599,562 | 977,403 | 791,896 | 1,769,299 |
| Rusk Co | 77,469 | 347,422 | 424,891 | 68,837 | 320,850 | 389,687 | 8,632 | 26,572 | 35,204 |
| Sauk Co | 201,420 | 926,459 | 1,127,879 | 132,092 | 936,553 | 1,068,645 | 69,328 | -10,094 | 59,234 |
| Sawyer Co | 77,469 | 786,271 | 863,740 | 68,837 | 681,634 | 750,471 | 8,632 | 104,637 | 113,269 |
| Shawano Co | 232,408 | 828,937 | 1,061,345 | 88,061 | 969,322 | 1,057,383 | 144,347 | -140,385 | 3,962 |
| Sheboygan Co | 371,853 | 1,554,256 | 1,926,109 | 143,099 | 1,390,035 | 1,533,134 | 228,753 | 164,221 | 392,974 |
| St. Croix Co | 123,951 | 694,844 | 818,795 | 77,069 | 647,524 | 724,593 | 46,882 | 47,320 | 94,202 |
| Taylor Co | 77,469 | 286,471 | 363,940 | 68,837 | 370,850 | 439,687 | 8,632 | -84,379 | -75,747 |
| Trempealeau Co | 77,469 | 694,844 | 772,313 | 88,061 | 643,803 | 731,864 | -10,592 | 51,041 | 40,449 |
| Vernon Co | 77,469 | 347,422 | 424,891 | 68,837 | 458,042 | 526,879 | 8,632 | -110,620 | -101,988 |
| Vilas Co | 77,469 | 213,329 | 290,798 | 77,069 | 311,385 | 388,454 | 400 | -98,056 | -97,656 |
| Walworth Co | 418,334 | 1,255,595 | 1,673,929 | 220,154 | 1,575,298 | 1,795,452 | 198,181 | -319,703 | -121,522 |
| Washburn Co | 77,469 | 335,232 | 412,701 | 68,837 | 420,936 | 489,773 | 8,632 | -85,704 | -77,072 |
| Washington Co | 201,420 | 1,633,493 | 1,834,913 | 176,123 | 1,242,639 | 1,418,762 | 25,297 | 390,854 | 416,151 |
| Waukesha Co | 588,767 | 3,998,401 | 4,587,168 | 385,268 | 3,109,293 | 3,494,561 | 203,499 | 889,108 | 1,092,607 |
| Waupaca Co | 340,865 | 871,603 | 1,212,468 | 231,161 | 848,487 | 1,079,648 | 109,704 | 23,116 | 132,820 |
| Waushara Co | 77,469 | 390,088 | 467,557 | 68,837 | 634,806 | 703,643 | 8,632 | -244,718 | -236,086 |
| Winnebago Co | 681,730 | 3,626,598 | 4,308,328 | 451,314 | 3,198,178 | 3,649,492 | 230,415 | 428,420 | 658,835 |
| Wood Co | <u>449,322</u> | <u>2,206,435</u> | <u>2,655,757</u> | <u>330,230</u> | <u>2,038,374</u> | <u>2,368,604</u> | <u>119,092</u> | <u>168,061</u> | <u>287,153</u> |
| Contract Totals | \$104,165,200 | \$251,321,600 | \$355,486,800 | \$98,619,200 | \$255,920,573 | \$354,539,773 | \$5,546,000 | -\$4,598,973 | \$947,027 |
| Milwaukee | \$80,784,970 | \$149,495,093 | \$230,280,063 | \$81,808,962 | \$159,105,083 | \$240,914,045 | -\$1,023,992 | -\$9,609,990 | -\$10,633,982 |
| Balance of State | \$23,380,230 | \$101,826,507 | \$125,206,737 | \$16,810,238 | \$96,815,490 | \$113,625,728 | \$6,569,992 | \$5,011,017 | \$11,581,009 |

* Contract amounts under Governor's bill calculated using DWD's methodology

**Contract amount for benefits reduced by 13.03% for each region.

ATTACHMENT 2

DWD's Proposed Allocations Compared to Current Contract Amounts

| W-2 Geographic Area | Proposed Allocations | | | Current Contracts | | | Difference from Current Contract | | |
|----------------------|----------------------|-----------------------------|-----------------|-------------------|-----------------------------|-----------------|----------------------------------|-----------------------------|----------------|
| | Benefits | Administration/ Services | Total Contracts | Benefits* | Administration/ Services | Total Contracts | Benefits | Administration/ Services | Total Contract |
| Adams Co | \$77,469 | \$369,593 | \$447,062 | \$68,837 | \$420,934 | \$489,771 | \$8,632 | -\$51,341 | -\$42,709 |
| Ashland Co | 77,469 | 526,543 | 604,012 | 68,837 | 580,846 | 649,683 | 8,632 | -54,303 | -45,671 |
| Bad River Tribe | 92,963 | 212,642 | 305,605 | 99,069 | 236,089 | 335,158 | -6,106 | -23,447 | -29,553 |
| Barron Co | 77,469 | 845,507 | 922,976 | 68,837 | 1,170,375 | 1,239,212 | 8,632 | -324,868 | -316,236 |
| Bayfield Co | 77,469 | 212,642 | 290,111 | 68,837 | 320,850 | 389,687 | 8,632 | -108,208 | -99,576 |
| Brown Co | 278,889 | 3,949,072 | 4,227,961 | 121,085 | 3,671,673 | 3,792,758 | 157,805 | 277,399 | 435,204 |
| Buffalo Co | 77,469 | 217,705 | 295,174 | 99,069 | 286,089 | 385,158 | -21,600 | -68,384 | -89,984 |
| Burnett Co | 77,469 | 172,531 | 250,000 | 68,837 | 370,850 | 439,687 | 8,632 | -198,319 | -189,687 |
| Calumet Co | 92,963 | 450,599 | 543,562 | 68,837 | 490,846 | 559,683 | 24,126 | -40,247 | -16,121 |
| Chippewa Co | 185,926 | 1,068,275 | 1,254,201 | 187,130 | 1,406,127 | 1,593,257 | -1,204 | -337,852 | -339,056 |
| Clark Co | 77,469 | 318,964 | 396,433 | 68,837 | 538,360 | 607,197 | 8,632 | -219,396 | -210,764 |
| Columbia Co | 139,445 | 713,871 | 853,316 | 68,837 | 733,114 | 801,951 | 70,608 | -19,243 | 51,365 |
| Crawford Co | 77,469 | 227,831 | 305,300 | 68,837 | 220,850 | 289,687 | 8,632 | 6,981 | 15,613 |
| Dane Co | 4,555,194 | 11,999,104 | 16,554,298 | 3,280,284 | 13,214,797 | 16,495,081 | 1,274,910 | -1,215,693 | 59,217 |
| Dodge Co | 294,383 | 1,523,937 | 1,818,320 | 176,123 | 1,338,154 | 1,514,277 | 118,260 | 185,783 | 304,043 |
| Door Co | 92,963 | 506,291 | 599,254 | 77,069 | 539,294 | 616,363 | 15,894 | -33,003 | -17,109 |
| Douglas Co | 418,334 | 1,756,831 | 2,175,165 | 319,223 | 2,506,736 | 2,825,959 | 99,112 | -749,905 | -650,793 |
| Dunn Co | 294,383 | 668,305 | 962,688 | 220,154 | 1,212,291 | 1,432,445 | 74,230 | -543,986 | -469,756 |
| Eau Claire Co | 247,902 | 2,425,135 | 2,673,037 | 286,199 | 2,858,022 | 3,144,221 | -38,297 | -432,887 | -471,184 |
| Florence Co | 77,469 | 172,531 | 250,000 | 68,837 | 120,850 | 189,687 | 8,632 | 51,681 | 60,313 |
| Fond du Lac Co | 666,236 | 1,999,851 | 2,666,087 | 385,268 | 2,326,811 | 2,712,079 | 280,968 | -326,960 | -45,992 |
| Forest Co | 77,469 | 192,391 | 269,860 | 68,837 | 220,850 | 289,687 | 8,632 | -28,459 | -19,827 |
| Grant Co | 77,469 | 450,599 | 528,068 | 68,837 | 675,123 | 743,960 | 8,632 | -224,524 | -215,892 |
| Green Co | 77,469 | 430,348 | 507,817 | 68,837 | 567,822 | 636,659 | 8,632 | -137,474 | -128,842 |
| Green Lake Co | 77,469 | 298,712 | 376,181 | 88,061 | 432,305 | 520,366 | -10,592 | -133,593 | -144,185 |
| Iowa Co | 77,469 | 248,083 | 325,552 | 68,837 | 370,850 | 439,687 | 8,632 | -122,767 | -114,135 |
| Iron Co | 77,469 | 172,531 | 250,000 | 68,837 | 120,850 | 189,687 | 8,632 | 51,681 | 60,313 |
| Jackson Co | 77,469 | 318,964 | 396,433 | 68,837 | 619,610 | 688,447 | 8,632 | -300,646 | -292,014 |
| Jefferson Co | 108,457 | 597,424 | 705,881 | 132,092 | 859,645 | 991,737 | -23,635 | -262,221 | -285,856 |
| Juneau Co | 263,396 | 617,675 | 881,071 | 264,184 | 958,579 | 1,222,763 | -789 | -340,904 | -341,693 |
| Kenosha Co | 3,238,216 | 6,784,304 | 10,022,520 | 1,739,211 | 7,285,878 | 9,025,089 | 1,499,006 | -501,574 | 997,432 |
| Kewaunee Co | 77,469 | 217,705 | 295,174 | 68,837 | 170,850 | 239,687 | 8,632 | 46,855 | 55,487 |
| La Crosse Co | 340,865 | 2,582,086 | 2,922,951 | 517,360 | 3,586,058 | 4,103,418 | -176,496 | -1,003,972 | -1,180,468 |
| Lafayette Co | 77,469 | 172,531 | 250,000 | 68,837 | 170,850 | 239,687 | 8,632 | 1,681 | 10,313 |
| Langlade Co | 170,432 | 592,361 | 762,793 | 121,085 | 732,863 | 853,948 | 49,348 | -140,502 | -91,154 |
| Lincoln Co | 77,469 | 506,291 | 583,760 | 68,837 | 538,672 | 607,509 | 8,632 | -32,381 | -23,749 |
| Manitowoc Co | 77,469 | 567,046 | 644,515 | 68,837 | 746,618 | 815,455 | 8,632 | -179,572 | -170,940 |
| Marathon Co | 666,236 | 2,749,162 | 3,415,398 | 594,414 | 3,036,807 | 3,631,221 | 71,822 | -287,645 | -215,823 |
| Marinette Co | 77,469 | 435,411 | 512,880 | 68,837 | 735,284 | 804,121 | 8,632 | -299,873 | -291,241 |
| Marquette Co | 77,469 | 288,586 | 366,055 | 68,837 | 320,850 | 389,687 | 8,632 | -32,264 | -23,632 |
| Menominee Co | 139,445 | 354,404 | 493,849 | 154,107 | 529,064 | 683,171 | -14,663 | -174,660 | -189,323 |
| Milwaukee - Region 1 | 9,792,118 | 19,712,747 | 29,504,865 | 9,719,768 | 25,275,958 | 34,995,726 | 72,350 | -5,563,211 | -5,490,861 |
| Milwaukee - Region 2 | 12,286,629 | 19,900,827 | 32,187,456 | 9,587,676 | 26,003,195 | 35,590,871 | 2,698,953 | -6,102,368 | -3,403,415 |
| Milwaukee - Region 3 | 15,586,820 | 20,665,741 | 36,252,561 | 17,645,286 | 26,851,303 | 44,496,589 | -2,058,466 | -6,185,562 | -8,244,028 |
| Milwaukee - Region 4 | 14,688,176 | 21,059,370 | 35,747,546 | 16,566,535 | 26,466,487 | 43,033,022 | -1,878,358 | -5,407,117 | -7,285,475 |
| Milwaukee - Region 5 | 12,395,086 | 21,935,050 | 34,330,136 | 13,451,366 | 26,485,725 | 39,937,091 | -1,056,280 | -4,550,675 | -5,606,955 |
| Milwaukee - Region 6 | 16,036,142 | 20,904,336 | 36,940,478 | 14,838,331 | 28,022,415 | 42,860,746 | 1,197,811 | -7,118,079 | -5,920,268 |
| Monroe Co | 325,371 | 906,261 | 1,231,632 | 247,814 | 1,108,675 | 1,356,489 | 77,557 | -202,414 | -124,857 |
| Oconto Co | 77,469 | 567,046 | 644,515 | 68,837 | 622,092 | 690,929 | 8,632 | -55,046 | -46,414 |
| Oneida Co | 77,469 | 607,550 | 685,019 | 132,092 | 978,109 | 1,110,201 | -54,622 | -370,559 | -425,181 |
| Oneida Tribe | 170,432 | 486,040 | 656,472 | 121,085 | 391,061 | 512,146 | 49,348 | 94,979 | 144,327 |
| Outagamie Co | 526,791 | 2,521,331 | 3,048,122 | 638,444 | 2,702,978 | 3,341,422 | -111,653 | -181,647 | -293,300 |
| Ozaukee Co | 77,469 | 632,864 | 710,333 | 68,837 | 644,731 | 713,568 | 8,632 | -11,867 | -3,235 |
| Pepin Co | 77,469 | 172,531 | 250,000 | 68,837 | 170,850 | 239,687 | 8,632 | 1,681 | 10,313 |
| Pierce Co | 77,469 | 410,096 | 487,565 | 77,069 | 552,939 | 630,008 | 400 | -142,843 | -142,443 |
| Polk Co | 108,457 | 805,003 | 913,460 | 68,837 | 707,063 | 775,900 | 39,620 | 97,940 | 137,560 |

| W-2 Geographic Area | Proposed Allocations Administration/ | | | Current Contracts Administration/ | | | Difference from Current Contract Administration/ | | |
|---------------------|---|------------------|------------------|--------------------------------------|------------------|------------------|---|-----------------|----------------|
| | Benefits | Services | Total Contracts | Benefits* | Services | Total Contracts | Benefits | Services | Total Contract |
| Portage Co | \$77,469 | \$1,032,834 | \$1,110,303 | \$99,069 | \$1,181,846 | \$1,280,915 | -\$21,600 | -\$149,012 | -\$170,612 |
| Price Co | 77,469 | 516,417 | 593,886 | 68,837 | 602,865 | 671,702 | 8,632 | -86,448 | -77,816 |
| Racine Co | 1,781,794 | 5,417,317 | 7,199,111 | 1,243,866 | 5,839,926 | 7,083,792 | 537,928 | -422,609 | 115,319 |
| Richland Co | 77,469 | 339,215 | 416,684 | 68,837 | 320,850 | 389,687 | 8,632 | 18,365 | 26,997 |
| Rock Co | 1,626,855 | 3,938,946 | 5,565,801 | 649,452 | 3,950,110 | 4,599,562 | 977,403 | -11,164 | 966,239 |
| Rusk Co | 77,469 | 288,586 | 366,055 | 68,837 | 320,850 | 389,687 | 8,632 | -32,264 | -23,632 |
| Sauk Co | 201,420 | 769,563 | 970,983 | 132,092 | 936,553 | 1,068,645 | 69,328 | -166,990 | -97,662 |
| Sawyer Co | 77,469 | 653,116 | 730,585 | 68,837 | 681,634 | 750,471 | 8,632 | -28,518 | -19,886 |
| Shawano Co | 232,408 | 688,556 | 920,964 | 88,061 | 969,322 | 1,057,383 | 144,347 | -280,766 | -136,419 |
| Sheboygan Co | 371,853 | 1,291,043 | 1,662,896 | 143,099 | 1,390,035 | 1,533,134 | 228,753 | -98,992 | 129,761 |
| St. Croix Co | 123,951 | 577,172 | 701,123 | 77,069 | 647,524 | 724,593 | 46,882 | -70,352 | -23,470 |
| Taylor Co | 77,469 | 237,957 | 315,426 | 68,837 | 370,850 | 439,687 | 8,632 | -132,893 | -124,261 |
| Trempealeau Co | 77,469 | 577,172 | 654,641 | 88,061 | 643,803 | 731,864 | -10,592 | -66,631 | -77,223 |
| Vernon Co | 77,469 | 288,586 | 366,055 | 68,837 | 458,042 | 526,879 | 8,632 | -169,456 | -160,824 |
| Vilas Co | 77,469 | 177,202 | 254,671 | 77,069 | 311,385 | 388,454 | 400 | -134,183 | -133,783 |
| Walworth Co | 418,334 | 1,042,960 | 1,461,294 | 220,154 | 1,575,298 | 1,795,452 | 198,181 | -532,338 | -334,157 |
| Washburn Co | 77,469 | 278,460 | 355,929 | 68,837 | 420,936 | 489,773 | 8,632 | -142,476 | -133,844 |
| Washington Co | 201,420 | 1,356,861 | 1,558,281 | 176,123 | 1,242,639 | 1,418,762 | 25,297 | 114,222 | 139,519 |
| Waukesha Co | 588,767 | 3,321,271 | 3,910,038 | 385,268 | 3,109,293 | 3,494,561 | 203,499 | 211,978 | 415,477 |
| Waupaca Co | 340,865 | 723,997 | 1,064,862 | 231,161 | 848,487 | 1,079,648 | 109,704 | -124,490 | -14,786 |
| Waushara Co | 77,469 | 324,026 | 401,495 | 68,837 | 634,806 | 703,643 | 8,632 | -310,780 | -302,148 |
| Winnebago Co | 681,730 | 3,012,433 | 3,694,163 | 451,314 | 3,198,178 | 3,649,492 | 230,415 | -185,745 | 44,670 |
| Wood Co | <u>449,322</u> | <u>1,832,775</u> | <u>2,282,097</u> | <u>330,230</u> | <u>2,038,374</u> | <u>2,368,604</u> | <u>119,092</u> | <u>-205,599</u> | <u>-86,507</u> |
| Contract Totals | \$104,165,200 | \$208,887,632 | \$313,052,832 | \$98,619,200 | \$255,920,573 | \$354,539,773 | \$5,546,000 | -\$47,032,941 | -\$41,486,941 |
| Milwaukee | \$80,784,970 | \$124,178,071 | \$204,963,041 | \$81,808,962 | \$159,105,083 | \$240,914,045 | -\$1,023,992 | -\$34,927,012 | -\$35,951,004 |
| Balance of State | \$23,380,230 | \$84,709,561 | \$108,089,791 | \$16,810,238 | \$96,815,490 | \$113,625,728 | \$6,569,992 | -\$12,105,929 | -\$5,535,938 |

*Contract amount for benefits reduced by 13.03% for each region.

ATTACHMENT 3

Governor's Bill Compared to DWD's Proposed Allocations

| W-2 Geographic Area | Proposed Allocations -- Governor * | | | Proposed Allocations -- DWD | | | Difference from Governor | | |
|----------------------|------------------------------------|-----------------------------|-----------------|-----------------------------|-----------------------------|-----------------|--------------------------|-----------------------------|----------------|
| | Benefits | Administration/ Services | Total Contracts | Benefits | Administration/ Services | Total Contracts | Benefits | Administration/ Services | Total Contract |
| Adams Co | \$77,469 | \$444,944 | \$522,413 | \$77,469 | \$369,593 | \$447,062 | \$0 | -\$75,351 | -\$75,351 |
| Ashland Co | 77,469 | 633,893 | 711,362 | 77,469 | 526,543 | 604,012 | 0 | -107,350 | -107,350 |
| Bad River Tribe | 92,963 | 255,995 | 348,958 | 92,963 | 212,642 | 305,605 | 0 | -43,353 | -43,353 |
| Barron Co | 77,469 | 1,017,886 | 1,095,355 | 77,469 | 845,507 | 922,976 | 0 | -172,379 | -172,379 |
| Bayfield Co | 77,469 | 255,995 | 333,464 | 77,469 | 212,642 | 290,111 | 0 | -43,353 | -43,353 |
| Brown Co | 278,889 | 4,754,196 | 5,033,085 | 278,889 | 3,949,072 | 4,227,961 | 0 | -805,124 | -805,124 |
| Buffalo Co | 77,469 | 262,090 | 339,559 | 77,469 | 217,705 | 295,174 | 0 | -44,385 | -44,385 |
| Burnett Co | 77,469 | 195,044 | 272,513 | 77,469 | 172,531 | 250,000 | 0 | -22,513 | -22,513 |
| Calumet Co | 92,963 | 542,466 | 635,429 | 92,963 | 450,599 | 543,562 | 0 | -91,867 | -91,867 |
| Chippewa Co | 185,926 | 1,286,071 | 1,471,997 | 185,926 | 1,068,275 | 1,254,201 | 0 | -217,796 | -217,796 |
| Clark Co | 77,469 | 383,993 | 461,462 | 77,469 | 318,964 | 396,433 | 0 | -65,029 | -65,029 |
| Columbia Co | 139,445 | 859,412 | 998,857 | 139,445 | 713,871 | 853,316 | 0 | -145,541 | -145,541 |
| Crawford Co | 77,469 | 274,281 | 351,750 | 77,469 | 227,831 | 305,300 | 0 | -46,450 | -46,450 |
| Dane Co | 4,555,194 | 14,445,443 | 19,000,637 | 4,555,194 | 11,999,104 | 16,554,298 | 0 | -2,446,339 | -2,446,339 |
| Dodge Co | 294,383 | 1,834,632 | 2,129,015 | 294,383 | 1,523,937 | 1,818,320 | 0 | -310,695 | -310,695 |
| Door Co | 92,963 | 609,512 | 702,475 | 92,963 | 506,291 | 599,254 | 0 | -103,221 | -103,221 |
| Douglas Co | 418,334 | 2,115,008 | 2,533,342 | 418,334 | 1,756,831 | 2,175,165 | 0 | -358,177 | -358,177 |
| Dunn Co | 294,383 | 804,556 | 1,098,939 | 294,383 | 668,305 | 962,688 | 0 | -136,251 | -136,251 |
| Eau Claire Co | 247,902 | 2,919,564 | 3,167,466 | 247,902 | 2,425,135 | 2,673,037 | 0 | -494,429 | -494,429 |
| Florence Co | 77,469 | 172,531 | 250,000 | 77,469 | 172,531 | 250,000 | 0 | 0 | 0 |
| Fond du Lac Co | 666,236 | 2,407,574 | 3,073,810 | 666,236 | 1,999,851 | 2,666,087 | 0 | -407,723 | -407,723 |
| Forest Co | 77,469 | 231,615 | 309,084 | 77,469 | 192,391 | 269,860 | 0 | -39,224 | -39,224 |
| Grant Co | 77,469 | 542,466 | 619,935 | 77,469 | 450,599 | 528,068 | 0 | -91,867 | -91,867 |
| Green Co | 77,469 | 518,085 | 595,554 | 77,469 | 430,348 | 507,817 | 0 | -87,737 | -87,737 |
| Green Lake Co | 77,469 | 359,612 | 437,081 | 77,469 | 298,712 | 376,181 | 0 | -60,900 | -60,900 |
| Iowa Co | 77,469 | 298,661 | 376,130 | 77,469 | 248,083 | 325,552 | 0 | -50,578 | -50,578 |
| Iron Co | 77,469 | 172,531 | 250,000 | 77,469 | 172,531 | 250,000 | 0 | 0 | 0 |
| Jackson Co | 77,469 | 383,993 | 461,462 | 77,469 | 318,964 | 396,433 | 0 | -65,029 | -65,029 |
| Jefferson Co | 108,457 | 719,225 | 827,682 | 108,457 | 597,424 | 705,881 | 0 | -121,801 | -121,801 |
| Juneau Co | 263,396 | 743,605 | 1,007,001 | 263,396 | 617,675 | 881,071 | 0 | -125,930 | -125,930 |
| Kenosha Co | 3,238,216 | 8,167,465 | 11,405,681 | 3,238,216 | 6,784,304 | 10,022,520 | 0 | -1,383,161 | -1,383,161 |
| Kewaunee Co | 77,469 | 262,090 | 339,559 | 77,469 | 217,705 | 295,174 | 0 | -44,385 | -44,385 |
| La Crosse Co | 340,865 | 3,108,513 | 3,449,378 | 340,865 | 2,582,086 | 2,922,951 | 0 | -526,427 | -526,427 |
| Lafayette Co | 77,469 | 172,531 | 250,000 | 77,469 | 172,531 | 250,000 | 0 | 0 | 0 |
| Langlade Co | 170,432 | 713,129 | 883,561 | 170,432 | 592,361 | 762,793 | 0 | -120,768 | -120,768 |
| Lincoln Co | 77,469 | 609,512 | 686,981 | 77,469 | 506,291 | 583,760 | 0 | -103,221 | -103,221 |
| Manitowoc Co | 77,469 | 682,654 | 760,123 | 77,469 | 567,046 | 644,515 | 0 | -115,608 | -115,608 |
| Marathon Co | 666,236 | 3,309,652 | 3,975,888 | 666,236 | 2,749,162 | 3,415,398 | 0 | -560,490 | -560,490 |
| Marinette Co | 77,469 | 524,181 | 601,650 | 77,469 | 435,411 | 512,880 | 0 | -88,770 | -88,770 |
| Marquette Co | 77,469 | 347,422 | 424,891 | 77,469 | 288,586 | 366,055 | 0 | -58,836 | -58,836 |
| Menominee Co | 139,445 | 426,659 | 566,104 | 139,445 | 354,404 | 493,849 | 0 | -72,255 | -72,255 |
| Milwaukee - Region 1 | 9,792,118 | 23,357,395 | 33,149,513 | 9,792,118 | 19,712,747 | 29,504,865 | 0 | -3,644,648 | -3,644,648 |
| Milwaukee - Region 2 | 12,286,629 | 23,838,107 | 36,124,736 | 12,286,629 | 19,900,827 | 32,187,456 | 0 | -3,937,280 | -3,937,280 |
| Milwaukee - Region 3 | 15,586,820 | 25,095,385 | 40,682,205 | 15,586,820 | 20,665,741 | 36,252,561 | 0 | -4,429,644 | -4,429,644 |
| Milwaukee - Region 4 | 14,688,176 | 25,477,661 | 40,165,837 | 14,688,176 | 21,059,370 | 35,747,546 | 0 | -4,418,291 | -4,418,291 |
| Milwaukee - Region 5 | 12,395,086 | 26,298,117 | 38,693,203 | 12,395,086 | 21,935,050 | 34,330,136 | 0 | -4,363,067 | -4,363,067 |
| Milwaukee - Region 6 | 16,036,142 | 25,428,428 | 41,464,570 | 16,036,142 | 20,904,336 | 36,940,478 | 0 | -4,524,092 | -4,524,092 |
| Monroe Co | 325,371 | 1,091,027 | 1,416,398 | 325,371 | 906,261 | 1,231,632 | 0 | -184,766 | -184,766 |
| Oconto Co | 77,469 | 682,654 | 760,123 | 77,469 | 567,046 | 644,515 | 0 | -115,608 | -115,608 |
| Oneida Co | 77,469 | 731,415 | 808,884 | 77,469 | 607,550 | 685,019 | 0 | -123,865 | -123,865 |
| Oneida Tribe | 170,432 | 585,132 | 755,564 | 170,432 | 486,040 | 656,472 | 0 | -99,092 | -99,092 |
| Outagamie Co | 526,791 | 3,035,372 | 3,562,163 | 526,791 | 2,521,331 | 3,048,122 | 0 | -514,041 | -514,041 |
| Ozaukee Co | 77,469 | 761,890 | 839,359 | 77,469 | 632,864 | 710,333 | 0 | -129,026 | -129,026 |
| Pepin Co | 77,469 | 172,531 | 250,000 | 77,469 | 172,531 | 250,000 | 0 | 0 | 0 |

| W-2 Geographic Area | Proposed Allocations -- Governor* Administration/ | | | Proposed Allocations -- DWD Administration/ | | | Difference from Governor Administration/ | | |
|---------------------|--|------------------|------------------|--|------------------|------------------|---|-----------------|-----------------|
| | Benefits | Services | Total Contracts | Benefits | Services | Total Contracts | Benefits | Services | Total Contract |
| Pierce Co | \$77,469 | \$493,705 | \$571,174 | \$77,469 | \$410,096 | \$487,565 | \$0 | -\$83,609 | -\$83,609 |
| Polk Co | 108,457 | 969,125 | 1,077,582 | 108,457 | 805,003 | 913,460 | 0 | -164,122 | -164,122 |
| Portage Co | 77,469 | 1,243,405 | 1,320,874 | 77,469 | 1,032,834 | 1,110,303 | 0 | -210,571 | -210,571 |
| Price Co | 77,469 | 621,703 | 699,172 | 77,469 | 516,417 | 593,886 | 0 | -105,286 | -105,286 |
| Racine Co | 1,781,794 | 6,521,782 | 8,303,576 | 1,781,794 | 5,417,317 | 7,199,111 | 0 | -1,104,465 | -1,104,465 |
| Richland Co | 77,469 | 408,373 | 485,842 | 77,469 | 339,215 | 416,684 | 0 | -69,158 | -69,158 |
| Rock Co | 1,626,855 | 4,742,006 | 6,368,861 | 1,626,855 | 3,938,946 | 5,565,801 | 0 | -803,060 | -803,060 |
| Rusk Co | 77,469 | 347,422 | 424,891 | 77,469 | 288,586 | 366,055 | 0 | -58,836 | -58,836 |
| Sauk Co | 201,420 | 926,459 | 1,127,879 | 201,420 | 769,563 | 970,983 | 0 | -156,896 | -156,896 |
| Sawyer Co | 77,469 | 786,271 | 863,740 | 77,469 | 653,116 | 730,585 | 0 | -133,155 | -133,155 |
| Shawano Co | 232,408 | 828,937 | 1,061,345 | 232,408 | 688,556 | 920,964 | 0 | -140,381 | -140,381 |
| Sheboygan Co | 371,853 | 1,554,256 | 1,926,109 | 371,853 | 1,291,043 | 1,662,896 | 0 | -263,213 | -263,213 |
| St. Croix Co | 123,951 | 694,844 | 818,795 | 123,951 | 577,172 | 701,123 | 0 | -117,672 | -117,672 |
| Taylor Co | 77,469 | 286,471 | 363,940 | 77,469 | 237,957 | 315,426 | 0 | -48,514 | -48,514 |
| Trempealeau Co | 77,469 | 694,844 | 772,313 | 77,469 | 577,172 | 654,641 | 0 | -117,672 | -117,672 |
| Vernon Co | 77,469 | 347,422 | 424,891 | 77,469 | 288,586 | 366,055 | 0 | -58,836 | -58,836 |
| Vilas Co | 77,469 | 213,329 | 290,798 | 77,469 | 177,202 | 254,671 | 0 | -36,127 | -36,127 |
| Walworth Co | 418,334 | 1,255,595 | 1,673,929 | 418,334 | 1,042,960 | 1,461,294 | 0 | -212,635 | -212,635 |
| Washburn Co | 77,469 | 335,232 | 412,701 | 77,469 | 278,460 | 355,929 | 0 | -56,772 | -56,772 |
| Washington Co | 201,420 | 1,633,493 | 1,834,913 | 201,420 | 1,356,861 | 1,558,281 | 0 | -276,632 | -276,632 |
| Waukesha Co | 588,767 | 3,998,401 | 4,587,168 | 588,767 | 3,321,271 | 3,910,038 | 0 | -677,130 | -677,130 |
| Waupaca Co | 340,865 | 871,603 | 1,212,468 | 340,865 | 723,997 | 1,064,862 | 0 | -147,606 | -147,606 |
| Waushara Co | 77,469 | 390,088 | 467,557 | 77,469 | 324,026 | 401,495 | 0 | -66,062 | -66,062 |
| Winnebago Co | 681,730 | 3,626,598 | 4,308,328 | 681,730 | 3,012,433 | 3,694,163 | 0 | -614,165 | -614,165 |
| Wood Co | <u>449,322</u> | <u>2,206,435</u> | <u>2,655,757</u> | <u>449,322</u> | <u>1,832,775</u> | <u>2,282,097</u> | 0 | <u>-373,660</u> | <u>-373,660</u> |
| Contract Totals | \$104,165,200 | \$251,321,600 | \$355,486,800 | \$104,165,200 | \$208,887,632 | \$313,052,832 | \$0 | -\$42,433,968 | -\$42,433,968 |
| Milwaukee | \$80,784,970 | 149,495,093 | 230,280,063 | \$80,784,970 | \$124,178,071 | \$204,963,041 | \$0 | -\$25,317,022 | -\$25,317,022 |
| Balance of State | \$23,380,230 | \$101,826,507 | \$125,206,737 | \$23,380,230 | \$84,709,561 | \$108,089,791 | \$0 | -\$17,116,946 | -\$17,116,946 |

*Contract amounts under Governor's bill calculated using DWD's methodology.

ATTACHMENT 4

Alternative to Increase Benefits Allocation

| <u>W-2 Geographic Area</u> | <u>Governor's Budget Allocation</u> | <u>2% Caseload Growth</u> | | <u>5% Caseload Growth</u> | |
|----------------------------|-------------------------------------|---------------------------|---------------------------------|---------------------------|---------------------------------|
| | | <u>New Allocation</u> | <u>Difference from Governor</u> | <u>New Allocation</u> | <u>Difference from Governor</u> |
| Adams Co | \$77,469 | \$80,733 | \$3,264 | \$83,108 | \$5,638 |
| Ashland Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Bad River Tribe | 92,963 | 96,880 | 3,916 | 99,729 | 6,766 |
| Barron Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Bayfield Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Brown Co | 278,889 | 290,639 | 11,749 | 299,187 | 20,298 |
| Buffalo Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Burnett Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Calumet Co | 92,963 | 96,880 | 3,916 | 99,729 | 6,766 |
| Chippewa Co | 185,926 | 193,759 | 7,833 | 199,458 | 13,532 |
| Clark Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Columbia Co | 139,445 | 145,319 | 5,875 | 149,594 | 10,149 |
| Crawford Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Dane Co | 4,555,194 | 4,747,100 | 191,906 | 4,886,721 | 331,527 |
| Dodge Co | 294,383 | 306,785 | 12,402 | 315,809 | 21,425 |
| Door Co | 92,963 | 96,880 | 3,916 | 99,729 | 6,766 |
| Douglas Co | 418,334 | 435,958 | 17,624 | 448,781 | 30,446 |
| Dunn Co | 294,383 | 306,785 | 12,402 | 315,809 | 21,425 |
| Eau Claire Co | 247,902 | 258,346 | 10,444 | 265,944 | 18,042 |
| Florence Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Fond du Lac Co | 666,236 | 694,304 | 28,068 | 714,725 | 48,489 |
| Forest Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Grant Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Green Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Green Lake Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Iowa Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Iron Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Jackson Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Jefferson Co | 108,457 | 113,026 | 4,569 | 116,351 | 7,894 |
| Juneau Co | 263,396 | 274,492 | 11,097 | 282,566 | 19,170 |
| Kenosha Co | 3,238,216 | 3,374,639 | 136,423 | 3,473,894 | 235,677 |
| Kewaunee Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| La Crosse Co | 340,865 | 355,225 | 14,360 | 365,673 | 24,808 |
| Lafayette Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Langlade Co | 170,432 | 177,613 | 7,180 | 182,837 | 12,404 |
| Lincoln Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Manitowoc Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Marathon Co | 666,236 | 694,304 | 28,068 | 714,725 | 48,489 |
| Marinette Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Marquette Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Menominee Co | 139,445 | 145,319 | 5,875 | 149,594 | 10,149 |
| Milwaukee - Region 1 | 9,792,118 | 10,204,651 | 412,534 | 10,504,788 | 712,670 |
| Milwaukee - Region 2 | 12,286,629 | 12,804,254 | 517,625 | 13,180,850 | 894,221 |
| Milwaukee - Region 3 | 15,586,820 | 16,243,480 | 656,660 | 16,721,229 | 1,134,409 |

| <u>W-2 Geographic Area</u> | <u>Governor's Budget Allocation</u> | <u>2% Caseload Growth</u> | | <u>5% Caseload Growth</u> | |
|----------------------------|-------------------------------------|---------------------------|---------------------------------|---------------------------|---------------------------------|
| | | <u>New Allocation</u> | <u>Difference from Governor</u> | <u>New Allocation</u> | <u>Difference from Governor</u> |
| Milwaukee - Region 4 | \$14,688,176 | \$15,306,977 | \$618,800 | \$15,757,182 | \$1,069,006 |
| Milwaukee - Region 5 | 12,395,086 | 12,917,280 | 522,194 | 13,297,200 | 902,114 |
| Milwaukee - Region 6 | 16,036,142 | 16,711,731 | 675,589 | 17,203,253 | 1,167,111 |
| Monroe Co | 325,371 | 339,079 | 13,708 | 349,052 | 23,681 |
| Oconto Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Oneida Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Oneida Tribe | 170,432 | 177,613 | 7,180 | 182,837 | 12,404 |
| Outagamie Co | 526,791 | 548,984 | 22,193 | 565,131 | 38,340 |
| Ozaukee Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Pepin Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Pierce Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Polk Co | 108,457 | 113,026 | 4,569 | 116,351 | 7,894 |
| Portage Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Price Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Racine Co | 1,781,794 | 1,856,859 | 75,065 | 1,911,473 | 129,679 |
| Richland Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Rock Co | 1,626,855 | 1,695,393 | 68,538 | 1,745,258 | 118,403 |
| Rusk Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Sauk Co | 201,420 | 209,906 | 8,486 | 216,080 | 14,659 |
| Sawyer Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Shawano Co | 232,408 | 242,199 | 9,791 | 249,323 | 16,915 |
| Sheboygan Co | 371,853 | 387,518 | 15,666 | 398,916 | 27,063 |
| St. Croix Co | 123,951 | 129,173 | 5,222 | 132,972 | 9,021 |
| Taylor Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Trempealeau Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Vernon Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Vilas Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Walworth Co | 418,334 | 435,958 | 17,624 | 448,781 | 30,446 |
| Washburn Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Washington Co | 201,420 | 209,906 | 8,486 | 216,080 | 14,659 |
| Waukesha Co | 588,767 | 613,571 | 24,804 | 631,617 | 42,850 |
| Waupaca Co | 340,865 | 355,225 | 14,360 | 365,673 | 24,808 |
| Waushara Co | 77,469 | 80,733 | 3,264 | 83,108 | 5,638 |
| Winnebago Co | 681,730 | 710,450 | 28,721 | 731,346 | 49,616 |
| Wood Co | <u>449,322</u> | <u>468,251</u> | <u>18,930</u> | <u>482,024</u> | <u>32,702</u> |
| Contract Totals | \$104,165,200 | \$108,553,592 | \$4,388,392 | \$111,746,345 | \$7,581,145 |
| Milwaukee | \$80,784,970 | \$84,188,372 | \$3,403,402 | \$86,664,501 | \$5,879,531 |
| Balance of State | \$23,380,230 | \$24,365,219 | \$984,989 | \$25,081,844 | \$1,701,613 |

ATTACHMENT 5

Options to Reduce Administration and Services Allocations

| <u>W-2 Geographic Region</u> | <u>Transfer MA and Food Stamps</u> | | <u>MA & Food Stamps Retained in W-2 Contracts</u> | |
|------------------------------|------------------------------------|-------------------------|---|-------------------------|
| | <u>Allocation After</u> | <u>Allocation After</u> | <u>Allocation After</u> | <u>Allocation After</u> |
| | <u>2% Reduction</u> | <u>5% Reduction</u> | <u>2% Reduction</u> | <u>5% Reduction</u> |
| Adams Co | \$362,201 | \$351,113 | \$437,527 | \$426,402 |
| Ashland Co | 516,012 | 500,216 | 623,327 | 607,477 |
| Bad River Tribe | 208,389 | 202,010 | 251,728 | 245,327 |
| Barron Co | 828,597 | 803,232 | 1,000,919 | 975,468 |
| Bayfield Co | 208,389 | 202,010 | 251,728 | 245,327 |
| Brown Co | 3,870,091 | 3,751,618 | 4,674,949 | 4,556,078 |
| Buffalo Co | 213,351 | 206,820 | 257,722 | 251,168 |
| Burnett Co | 169,080 | 163,904 | 191,793 | 186,916 |
| Calumet Co | 441,587 | 428,069 | 533,424 | 519,860 |
| Chippewa Co | 1,046,910 | 1,014,861 | 1,264,634 | 1,232,478 |
| Clark Co | 312,585 | 303,016 | 377,592 | 367,991 |
| Columbia Co | 699,594 | 678,177 | 845,087 | 823,599 |
| Crawford Co | 223,274 | 216,439 | 269,709 | 262,851 |
| Dane Co | 11,759,122 | 11,399,149 | 14,204,652 | 13,843,468 |
| Dodge Co | 1,493,458 | 1,447,740 | 1,804,051 | 1,758,179 |
| Door Co | 496,165 | 480,976 | 599,352 | 584,113 |
| Douglas Co | 1,721,694 | 1,668,989 | 2,079,753 | 2,026,871 |
| Dunn Co | 654,939 | 634,890 | 791,145 | 771,029 |
| Eau Claire Co | 2,376,632 | 2,303,878 | 2,870,898 | 2,797,899 |
| Florence Co | 169,080 | 163,904 | 172,531 | 172,530 |
| Fond du Lac Co | 1,959,854 | 1,899,858 | 2,367,442 | 2,307,245 |
| Forest Co | 188,543 | 182,771 | 227,754 | 221,963 |
| Grant Co | 441,587 | 428,069 | 533,424 | 519,860 |
| Green Co | 421,741 | 408,830 | 509,450 | 496,496 |
| Green Lake Co | 292,738 | 283,776 | 353,618 | 344,626 |
| Iowa Co | 243,121 | 235,679 | 293,683 | 286,215 |
| Iron Co | 169,080 | 163,904 | 172,531 | 172,531 |
| Jackson Co | 312,585 | 303,016 | 377,592 | 367,991 |
| Jefferson Co | 585,476 | 567,553 | 707,236 | 689,253 |
| Juneau Co | 605,322 | 586,791 | 731,210 | 712,617 |
| Kenosha Co | 6,648,618 | 6,445,089 | 8,031,323 | 7,827,109 |
| Kewaunee Co | 213,351 | 206,820 | 257,722 | 251,168 |
| La Crosse Co | 2,530,444 | 2,452,982 | 3,056,697 | 2,978,974 |
| Lafayette Co | 169,080 | 163,904 | 172,531 | 172,531 |
| Langlade Co | 580,514 | 562,743 | 701,242 | 683,412 |
| Lincoln Co | 496,165 | 480,976 | 599,352 | 584,113 |
| Manitowoc Co | 555,705 | 538,694 | 671,275 | 654,206 |
| Marathon Co | 2,694,179 | 2,611,704 | 3,254,484 | 3,171,731 |
| Marinette Co | 426,703 | 413,640 | 515,443 | 502,337 |
| Marquette Co | 282,814 | 274,157 | 341,631 | 332,944 |
| Menominee Co | 347,316 | 336,684 | 419,547 | 408,879 |
| Milwaukee - Region 1 | 19,318,492 | 18,727,110 | 22,998,657 | 22,460,550 |

| <u>W-2 Geographic Region</u> | <u>Transfer MA and Food Stamps</u> | | <u>MA & Food Stamps Retained in W-2 Contracts</u> | |
|------------------------------|------------------------------------|-------------------------|---|-------------------------|
| | <u>Allocation After</u> | <u>Allocation After</u> | <u>Allocation After</u> | <u>Allocation After</u> |
| | <u>2% Reduction</u> | <u>5% Reduction</u> | <u>2% Reduction</u> | <u>5% Reduction</u> |
| Milwaukee - Region 2 | \$19,502,810 | \$18,905,786 | \$23,450,565 | \$22,869,254 |
| Milwaukee - Region 3 | 20,252,426 | 19,632,454 | 24,659,381 | 24,005,376 |
| Milwaukee - Region 4 | 20,638,183 | 20,006,402 | 25,042,774 | 24,390,445 |
| Milwaukee - Region 5 | 21,496,349 | 20,838,298 | 25,868,666 | 25,224,490 |
| Milwaukee - Region 6 | 20,486,249 | 19,859,119 | 24,983,127 | 24,315,178 |
| Monroe Co | 888,136 | 860,948 | 1,072,841 | 1,045,562 |
| Oconto Co | 555,705 | 538,694 | 671,275 | 654,206 |
| Oneida Co | 595,399 | 577,173 | 719,223 | 700,935 |
| Oneida Tribe | 476,319 | 461,738 | 575,378 | 560,748 |
| Outagamie Co | 2,470,904 | 2,395,264 | 2,984,775 | 2,908,881 |
| Ozaukee Co | 620,207 | 601,221 | 749,191 | 730,141 |
| Pepin Co | 169,080 | 163,904 | 172,531 | 172,531 |
| Pierce Co | 401,894 | 389,591 | 485,475 | 473,131 |
| Polk Co | 788,903 | 764,753 | 952,970 | 928,739 |
| Portage Co | 1,012,177 | 981,192 | 1,222,679 | 1,191,590 |
| Price Co | 506,089 | 490,596 | 611,339 | 595,795 |
| Racine Co | 5,308,971 | 5,146,451 | 6,413,071 | 6,250,005 |
| Richland Co | 332,431 | 322,254 | 401,566 | 391,355 |
| Rock Co | 3,860,167 | 3,741,999 | 4,662,962 | 4,544,396 |
| Rusk Co | 282,814 | 274,157 | 341,631 | 332,944 |
| Sauk Co | 754,172 | 731,085 | 911,016 | 887,851 |
| Sawyer Co | 640,054 | 620,460 | 773,165 | 753,505 |
| Shawano Co | 674,785 | 654,128 | 815,119 | 794,393 |
| Sheboygan Co | 1,265,222 | 1,226,491 | 1,528,349 | 1,489,487 |
| St. Croix Co | 565,629 | 548,313 | 683,262 | 665,888 |
| Taylor Co | 233,198 | 226,059 | 281,696 | 274,533 |
| Trempealeau Co | 565,629 | 548,313 | 683,262 | 665,888 |
| Vernon Co | 282,814 | 274,157 | 341,631 | 332,944 |
| Vilas Co | 173,658 | 168,342 | 209,773 | 204,439 |
| Walworth Co | 1,022,101 | 990,812 | 1,234,666 | 1,203,272 |
| Washburn Co | 272,891 | 264,537 | 329,644 | 321,262 |
| Washington Co | 1,329,724 | 1,289,018 | 1,606,265 | 1,565,422 |
| Waukesha Co | 3,254,846 | 3,155,207 | 3,931,752 | 3,831,779 |
| Waupaca Co | 709,517 | 687,797 | 857,074 | 835,281 |
| Waushara Co | 317,545 | 307,825 | 383,586 | 373,832 |
| Winnebago Co | 2,952,184 | 2,861,811 | 3,566,147 | 3,475,470 |
| Wood Co | <u>1,796,120</u> | <u>1,741,136</u> | <u>2,169,656</u> | <u>2,114,488</u> |
| Contract Totals | \$204,709,879 | \$198,443,250 | \$247,143,847 | \$240,877,218 |
| Milwaukee | \$121,694,510 | \$117,969,167 | \$147,003,169 | \$143,265,293 |
| Balance of State | \$83,015,369 | \$80,474,083 | \$100,140,678 | \$97,611,925 |